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FRIDAY, AUGUST 31, 1956

THE AMERICAN COLLEGE
OF LIFE UNDERWRITERS
Philadelphia, Pennsylvania

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TO

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Render a more professional service!
Gain added prestige in your community!

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CHARTERED LIFE UNDERWRITER

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★ ★ ★

Enroll in a C. L. U. class or study group now! It may well be the most important step of your career!

THE NEW YORK LIFE AGENT
IN YOUR COMMUNITY **BE**
IS A GOOD MAN TO ~~KNOW~~

NEW YORK LIFE
INSURANCE COMPANY

A MUTUAL COMPANY



FOUNDED IN 1845

The NATIONAL UNDERWRITER

The National Weekly Newspaper of Life Insurance

60th Year, No. 35
August 31, 1956

Holz Rips 'Digest' Innuendo Hinting Aid to Underworld

Article Erred in Saying
He Barred Public Hearing,
N.Y. Official Points Out

NEW YORK—Insurance people here were surprised and incredulous at im-



Lester Velie

lications in an article in the September Reader's Digest that Insurance Superintendent Holz had checkreined the New York Department's welfare-fund investigation because of underworld pres-

sure operating through Tammany Hall, the New York City Democratic organization. After stating that the department's investigation, "under the direction of a distinguished corporation lawyer, Martin S. House," was "blocked," the Digest article says: "The superintendent of insurance, Leffert Holz, decreed that there would be no public hearings. Then even the closed hearings stopped. Why?"

The reference to "no public hearings" was puzzling to local insurance men, many of whom had attended the department's public hearings on the welfare-fund situation last fall.

In his article author Lester Velie attempts to read significance into the fact that the New York department did not question in public John DeFeo, "son of a big-shot racketeer." However, the broker had been questioned by the New York district attorney, had chosen to go to jail rather than talk, and then was freed on a technicality.

Says Mr. Velie in his article: "I called on New York insurance commissioner Leffert Holz, an organization man in Carmine De Sapio's Tammany Hall, the New York City Democratic organization.

"Was political pressure brought to bear on you to call off the hearings on De Feo and his cardinal agency?" I asked.

"No one brought any political pressure," he answered.

Asked by THE NATIONAL UNDERWRITER about the article and its insinuations, Mr. Holz said the references to him were purely innuendo and that the article was simply inaccurate in saying that there were no public hearings. He pointed out that the DeFeo agency and others had been covered in the investigations made by the previous insurance superintendent, A. J. Bohlinger.

As a result of the inquiry from THE NATIONAL UNDERWRITER, Mr. Holz issued the following formal statement:

"I am fully in accord with the objectives of the writer of the article, namely to see that union welfare and

Fordham Law Dean Says:

Life Companies Overtaxed, Should Seek Early Relief

DALLAS—Present taxes on life insurance are a discriminatory tax against savings and "it is imperative to the industry and to its clients that at the very next legislative session insurance be granted ample tax relief," said Dean John F. X. Finn of Fordham university law school at the meeting here of the life insurance section of the American Bar Assn. Following is an abridged version of Dean Finn's talk:

From time immemorial sovereignties have reached out to regulate industries affected with a public interest.

And from time immemorial industry has inquired as to the jurisdiction of sovereignty. Has it gone too far? Is government overreaching? And if so, what, if anything, can be done about it?

Nowhere is the quest for answers to such inquiries more intriguing than in the twilight zones of federalism and the shadowy boundaries between state and nation.

Precisely 50 years ago the sovereign state of New York reached into the life insurance industry of that state and set its house in order by the investigation and report of the Armstrong committee, with specific recommendations for legislation which were duly enacted into law. And such enactments had a profound effect, not only on New York life insurance companies but on foreign companies admitted to do business in New York and upon the insurance laws of many other jurisdictions.

In retrospect none will say that in the light of the business conditions of 1906 such a visitation of sovereignty

was not wholesome and beneficial, however much there may be disagreement here and there with the rigor of one recommendation or another, or with the anachronism of continuing 1906 safeguards in modern 1956.

In 1939, a special committee, the temporary national economic committee, appointed by Congress to investigate concentration of economic power, spent considerable time examining the insurance business. Investigators combed through files of companies and insurance trade associations and numerous executives were called to Washington to testify. Although the examination set out to find whatever evils it could, the dearth of evil led to a paucity of result.

Over the years there have been other instances in which sovereignties have come into close official contact with the insurance industry. Recent examples are found in the areas of (a) investments in common stock, (b) acquisition of real estate, (c) welfare plans, (d) variable annuities, (e) taxation of life insurance companies, (f) regulation of insurance company advertising and (g) in proposals for sovereign indemnity for a portion of industrial liability to the public arising from the construction or operation of facilities for the development of atomic energy.

(a) Investments in common stock. Only this year, when the Connecticut General Life Insurance Co., chartered in Connecticut, and authorized to do business in New York, sought to acquire 80% of the outstanding capital stock of National Fire Insurance Co.,

(CONTINUED ON PAGE 3)

Set Heavy Agenda for 8-Day Annual NALU Convention

Official Program for Parley
in Washington Lists Variety
of Speakers and Activities

WASHINGTON—A full program has been arranged for the annual convention of National Assn. of Life Underwriters at the Statler hotel, here. With a few exceptions the following official program is complete.

Saturday, Sept. 22

9:00 a.m. NALU board of trustees (all day)
10:00 a.m. Registration starts
10:00 a.m. American Society, CLU directors (all day)
12:15 p.m. American Society, CLU directors luncheon
12:30 p.m. NALU board of trustees luncheon

Sunday, Sept. 23

10:00 a.m. Registration
10:00 a.m. American Society, CLU-regional new candidate committee
10:00 a.m. GAMC board of directors
2:00 p.m. NALU board of trustees (if necessary)
2:30 p.m. WQMDRT "sellarama"
Moderator, Margaret Vogelsang, Connecticut Mutual, Manitowoc, Wis.
"Time on My Hands" Adele O. Levy, United Benefit, New Orleans
"There's Nothing New in Prospecting" Anne Bonadies, Aetna Life, Hartford
"My Friends Are My Fortune" Anne Laundon, Bankers Life of Nebraska, Wichita
"The Potential of Women in the Life Insurance Business" Ruth Russell, Indianapolis Life, North Vernon, Ind.

4:00 p.m. Reception and tea for all early arrivals.

Monday, Sept. 24

8:15-9:30 a.m. Continental breakfast and convention launching
9:00 a.m. American Society, CLU directors
9:30 a.m. NALU committee meetings (again at night, if necessary)
12:30 p.m. Press reception
12:30 p.m. American Society, CLU directors luncheon
2:00 p.m. National council meeting
6:30 p.m. Executive secretaries' dutch dinner
7:00 p.m. WQMDRT annual business meeting
8:00 p.m. Agents committee
9:00 p.m. NALU board of trustees

Tuesday, Sept. 25

7:45 a.m. NALU past presidents' breakfast
9:00 a.m. National council meeting
12:15 p.m. GAMC luncheon
Judd C. Benson, Union Central, Cincinnati, presiding
"Good Enough Is Not Enough," O. Kelley Anderson, president, New England Life

(CONTINUED ON PAGE 16)

Late News Bulletins . . .

FTC Due to Lose on American H&L: Pansing

DALLAS—The Federal Trade Commission majority opinion in the American Hospital & Life case dealing with A&S advertising is "clearly wrong" and will be reversed by the courts, said insurance director Pansing of Nebraska, who represented National Assn. of Insurance Commissioners at the meeting here of the insurance section of the American Bar Assn.

Mr. Pansing said the FTC decision would appear to negate entirely the effect of the McCarran-Ferguson Act and "return the insurance regulatory problem to the confusion of the dark days after the SEUA case and before the act. The implications are tremendous in importance."

"It follows that if the FTC act is fully operable even though the activities it covers are regulated by state law, then so are the anti-trust and anti-monopoly acts operable even though state rating laws effectively accomplish the desired ends," Mr. Pansing declared. "This would make possible and likely at any time the prosecution of most of the large fire and casualty rating and rate-fixing groups in the country, with the imposition of huge penalties."

Mr. Pansing said A&S advertising is "at a higher level today than that of any other industry in the United States and that level must be sustained but not at the price of loss of public confidence in an industry of such high integrity. . . . Repeated public harassment of fine insurance institutions for long-past minor infractions of unknown advertising standards by the Federal Trade Commission (as in the cigarette cases) is in my opinion contrary to the public interest."

Variable Annuity Life is Licensed in West Virginia

WASHINGTON—Variable Annuity Life of Washington has been licensed in West Virginia. It is the first state the company has been licensed in outside of its domiciliary jurisdiction.

In a letter to president Robert A. Crichton of Variable Annuity Life, Commissioner Gillooly of West Virginia said in part.

"Members of this department are convinced that, properly sold, variable annuities have a place in the insurance business world. We believe that there may be many citizens of this state who would desire to consider purchasing annuities of this nature. It is our strong opinion that they should have the opportunity to do so under the laws and regulations which are administered by this department for their benefit.

"The department intends to authorize the sale of variable annuity contracts only by licensed life insurance agents who have passed a special examination demonstrating their competency to do so. Such an examination is under preparation at the present time. It may be that these questions should be absorbed into our regular life insurance examination, as time goes on. However, for the time being, until standards for sale and solicitation are definitely established and accepted, each agent desiring to sell variable annuities shall be required to successfully complete this separate test.

"One of the most important considerations in the licensing of any company by this department is the character and reputation of the officials who make the policy which the company follows in its operations in the state. Our experience has shown that the attitude of the home office is directly reflected in the field. Careful attention has been paid to this aspect and we are satisfied that there is every reason to expect your company's business to be conducted properly in West Virginia."

Honor Kansas City Life President with Big Sales, New Portrait on Birthday

The 60th birthday of President W. E. Bixby of Kansas City Life was celebrated Aug. 20 by the writing of a record-breaking volume of \$6,680,538 in business and the unveiling of a handsome new portrait of Mr. Bixby.

August traditionally is celebrated as president's birthday month by more than 2,000 Kansas City Life agents in 39 states and District of Columbia, with special emphasis on Aug. 20, Mr. Bixby's birthday. The new business this Aug. 20 exceeded any other previous Aug. 20. Mr. Bixby's new portrait, painted by Albert K. Murray, New York City, was the keynote of presentation ceremonies Aug. 20 at the home office. Present were approximately 400 home office employees, members of the board of directors and their wives, a number of agents, Mrs. Bixby, and Mrs. J. B. Reynolds, widow of the late president of Kansas City Life.

Vice-president J. A. Budinger presided at the presentation ceremonies and introduced R. Crosby Kemper, banker and senior member, next to Mr. Bixby, of Kansas City Life's board.

The new 3½ by 5 foot portrait will hang temporarily in the home office until a \$2½ million addition is completed next year. At that time the portrait will be moved to the new structure. Replicas of the portrait, in full

color, and in three different sizes, will be awarded to Kansas City Life agents who qualified in three different categories during the August birthday month.

AFL-CIO Threatens to Oust 3 Unions for Welfare Abuses

The AFL-CIO executive council has taken drastic action against three unions accused of malpractice in the administration of their welfare funds. The council told the Distillery, Rectifying & Wine Workers International Union that it faces suspension unless it can show cause "forthwith" why it should not be suspended. The Laundryworkers International and the Allied Industrial Workers of America were informed that they are under formal investigation by the ethical practices committee.

The ethical practices committee, in its report, said it had concluded and published reports "providing a sufficient reason to believe that the Distillery, Rectifying & Wine Workers International Union may be dominated, controlled or substantially influenced in the conduct of its affairs by corrupt influences, in violation of the constitution of the AFL-CIO and therefore subject to suspension by the executive council."

The action against the three unions was based mainly on findings of a Senate labor subcommittee that investigated welfare funds. The distillery workers union has about 25,000 members, the laundryworkers 72,000 and the allied industrial union 73,000 members.

The action of the executive council is a hopeful sign and there is every reason to believe that AFL-CIO will not stop short of a real clean-up of racketeering in welfare funds, according to Martin B. Segal, New York City, consultant on union welfare plans. Such action, he said, will be good for welfare funds generally, because decent funds can't thrive in an atmosphere of corruption. The AFL-CIO action was a courageous step in the interest of members and their families, said Mr. Segal.

The clean-up project has the full support of the national president, George Meany.

A&S Ad Code Hearing in Wisconsin Sept. 17

Commissioner Rogan of Wisconsin has scheduled a public hearing for Sept. 17 on a code of fair practices in advertising of A&S insurance. The code proposed for Wisconsin is similar to the one approved by the National Assn. of Insurance Commissioners.

Fraternal Actuarial Assn. to Meet at Cleveland

Fraternal Actuarial Assn. will meet Sept. 17-18 at the Hotel Statler, Cleveland, for discussion of problems and topics of current interest. The meeting will coincide with the National Fraternal Congress meeting which will be in session in Cleveland Sept. 17-19.

Subjects of informal discussion will include electronic data processing machines, pension plans of fraternal societies, the variable annuity and endowment, and the possible need for a new mortality table.

Among those presenting papers at the actuarial meeting will be Daniel D. Macken, Woodmen of the World, Omaha, and Carl H. Fischer, professor of actuarial mathematics at the University of Michigan.

Agree on Expanded Benefits Plan for Players in Majors

Major league baseball players representatives, at a meeting in Cincinnati, agreed on a new benefits plan that provides for increased pension, life insurance, and disability, hospitalization, and medical expense coverage.

The plan supplements the pension and group life insurance coverage that has been in effect for some years with Equitable Society.

Arrangements are being handled by Retirement Plans, Inc., a Cleveland consulting organization. It was represented at the meeting by Bruce I. Gheen and John Gabel.

No decision has been made yet concerning funding of the new plan, according to Mr. Gabel.

The plan will go into effect next April 1 simultaneously with the new \$16,250,000 5-year radio and TV agreement covering the World Series and the annual all-star game. Eligible are all members of the plan dating to 1947, when the original pension plan was conceived. This includes all players active, inactive and retired since 1947.

Benefits increase to a retirement age of 65, when a 5-year player would receive \$175, a 10-year man \$350, a 15-year man \$450 and a 20-year man \$550. Under the new plan, a player with five years of major league service will receive \$83 a month at age 50. This will increase to \$175 a month for a 10-year man, \$225 for a 15-year man and \$275 for a 20-year man. Under the present setup, which terminates at the end of this year, a 5-year man receives \$50 a month and a 10-year man \$100, which is now the maximum.

The life insurance plan will cover all players with at least 60 days of service in the major leagues. Those with less than four years will receive a \$6,000 policy, with the policies ranging up to \$20,000 for a 10-year man. All active or inactive players who become totally and permanently disabled will receive \$450 a month, payable for life or until recovery.

All active players and their families will be eligible for hospitalization and medical benefits.

All players must pay \$344 a year to be eligible for benefits. In the past they paid \$250 a year, which was matched by the clubs. The clubs no longer will contribute.

The new radio and TV contract, calling for receipt of \$3,250,000 a year for the next five years, will bring \$1.9 million a year or 60% to the players. This will be put in the pension fund.

Another new provision provides benefits to widows. If a member dies, his widow will receive a monthly income for life or until remarriage, in which case she will receive a dowry of 24 monthly payments.

A player may retire at his option at any age between 50 and 65. The older he is at retirement, the more money he will receive.

Beneficial Standard Life Declares 100% Stock Dividend

LOS ANGELES—Beneficial Standard Life has declared a 100% stock dividend on 1 million shares of common stock outstanding, thus bringing the total outstanding shares of common stock to 2 million. At the same time the company declared a cash dividend of 20 cents a share on 2 million shares, payable Oct. 1 to share-

holders of record Sept. 14, 1956. The company paid a cash dividend of 30 cents a share July 2, 1956, on the 1 million shares then outstanding.

Cleveland Leads Cities in Ordinary Sales Gain in July and 7 Months

Cleveland led large U. S. cities in percentage increase in ordinary life sales in July and the first seven months with 26% and 20%, respectively, according to LIAMA.

Other large cities and their increases in July and the year-to-date, respectively, were: Boston, 14 and 6; Chicago, 11 and 10; Detroit, 6 and 5; Los Angeles, 21 and 13; New York, 21 and 10; Philadelphia, 17 and 8; and St. Louis, 20 and 10.

Protective Introduces \$10,000 Minimum Plan and New Term Riders

Protective Life has introduced a \$10,000 minimum, low premium non-participating adjustable life policy. The initial premium reduces at the beginning of the second year, or the policy may become a limited payment plan if the policyholder prefers to maintain the same premium rate.

At age 29, for example, the annual premium is \$20.12 for the first year and drops to \$16.35 at the beginning of the second year. If the higher premium is continued, the policy becomes a 30-payment life policy.

The juvenile 1-5 ordinary life has been replaced by a juvenile 1-5 life paid up at 65.

Extra protection riders for 10, 15 and 20-year terms have been introduced. Each unit of the riders provides \$1,200 insurance for the first two years and \$1,000 thereafter for the remainder of the period. They are convertible, and may be issued in any amount subject to a minimum ultimate amount of \$2,000 and a maximum amount of two times the basic policy.

Substantial premium reductions have been made on a number of policies, including 20-pay endowment at age 85, life paid up at age 65, endowment at age 60 and endowment at age 65.

Non-medical limits have been increased on males and females to \$5,000 for ages 0 to 14, to \$10,000 for ages 15 to 40. Non-medical is not issued beyond age 40.

Waiver of premium disability rates for women now are one and one-half times the rate for men. The waiver of premium disability on men has been decreased to 40%. Limits on disability income were increased from \$250 monthly with Protective Life and \$500 in all companies to \$300 and \$600, respectively.

Dividends on the ordinary life participating plan have been substantially increased.

The rate book, divided into sections according to types of policies, has been indexed with various colored perpendicular bleed bars running the length of the page.

Pilot Holds 3 Meetings for GAs

Pilot Life held three meetings at the Pilot country club on the home office grounds, with a third of the general agents attending each session. R. W. Donaldson, manager of agencies, presided. The agenda included the agency building program, new policies, new sales promotion material, the expanded training program, A&S trends, new group plans and procedures of the general agency system.

By H. 135 S.

Aetna Life
Beneficial
Cal.-West
Colonial
Columbia
Commonwealth
Connecticut
Continental
Franklin
Great South
Gulf Life
Jefferson
Kansas City
Life & Casualty
Life Insurance
Lincoln
Missouri
National
North American
N.W. States
Ohio State
Old Line
Southland
Southwestern
Travelers
United
U.S. Life
West Coast
Wisconsin

Says Life Companies Are Overtaxed

(CONTINUED FROM PAGE 1)

likewise chartered in Connecticut and licensed to do business in the state of New York, the sovereignty forbade the acquisition. The New York attorney-general wrote an opinion, dated Jan. 20, 1956, in which he stated that if the proposed common stock acquisition of the fire insurance company by the life insurance company was consummated, the superintendent of insurance would be acting within his authority in determining that the life insurance company would not qualify to do business in the state. This determination undoubtedly reflected continuing influence of the perspective of the Armstrong Report [cf. the reference to "flagrant abuses" in the *Guardian Life* case, at 308 N. Y. 183 and 130 N. Y. Supp. (2d) 712 (1954)] and of such a decision as *Firemen's Insurance Company of Newark vs Beha*, 30 Fed. (2) 539, in which it was held that an insurance company which invested in the common stock of other insurance companies a sum of money which was more than its entire surplus had not complied with former section 56 of the New York insurance law in that such investments were held not to have been of the same general character required of domestic companies. Nevertheless, the Connecticut General Life Insurance Co. strenuously urged that in its case disallowance of so-called ineligible investments would still leave the company in a sound financial condition as measured by New York standards, and that its proposed acquisition of 80% or more of the capital stock of the fire insurance company would not be in violation of the New York insurance law.

Perhaps the strength of this argument is reflected in the report of the New York joint legislative committee on insurance rates and regulation, transmitted to the legislature in March, 1956, in which the committee stated at page 14:

"The subject of investments is still a vital one and presents a problem which requires continuous study and examination. ***It was not anticipated that the 1951 amendments would solve the problem for all time. The very nature of investment in a fluctuating economy dictates otherwise***. We feel that those advocating a new 'basket' provision should be afforded an opportunity to present their views. It may well be that some suitable amendment can be devised which will not impair the financial structure of the insurers or lessen the confidence of the insuring public in the stability of the insurance companies ***. New problems or old problems in a new dress affecting the business of insurance have risen. All are of the importance and require legislative attention if not actual legislation."

Manifestly, the spirit of this report is one of cooperation and good will to the industry. It is the very antithesis of overreaching. That suggests the happy possibility that if in the future another "Connecticut General" case comes into focus it will be dealt with more understandingly.

REAL ESTATE CLASH

(b) *Acquisition of Real Estate*. Rarely has the clash between sovereignty and management been more vividly highlighted than in the case of *Guardian Life Insurance Co. vs Bohlinger*, 308 N.Y. 174, decided at the threshold of 1955. In that case the insurance company purchased real estate which it considered "an ideal spot for an investment in an office building" and it purchased the property for "rental," but with the thought in mind of designing the building so that it could be used for its accounting activities and for temporary storage of its

records.

The New York superintendent of Insurance decided that the company's acquisition was not for the "convenient accommodation" of its business and accordingly, after a hearing, refused to approve the purchase.

The administrative determination was reviewed right up to the highest court of the state and that court affirmed the superintendent's annulment of the purchase, affirming the appellate division of the supreme court, which had acted by a divided court (284 A.D. 110, 134 N. Y. S. (2) 705.) Mr. Justice Dore, dissenting in the appellate division, urged that although the insurance business is "affected by public interest and therefore requires regulation," nevertheless, "reasonable regulation in the public interest is one thing. Management and complete right to control business policy placed in the hands of a single administrator is quite another; and, if permitted, would tend to take the private property in question and make the insurance business *pro tanto* a matter of state ownership and dominion."

But the highest court held otherwise, and ruled that to the extent indicated management policy is to be determined by the state, and not by industry. There are those who disagree with the result, but it is needless to say that the law will be obeyed.

Another facet of the *Guardian Life* case was the determination of the highest court of New York that the superintendent's ruling was not subject to more than what was called "threshold judicial review," and that the legislature in effect provided that an ad-

Publish New Hand-Book for Southern Cal., Ariz.

A new *Underwriters' Hand-Book of southern California and Arizona* has just been published by The National Underwriter Co. It provides complete and up-to-date information on the agencies, brokers, companies, field men, general agents, groups and other organizations affiliated with insurance throughout Southern California and Arizona. The dividing line in California is at Kern and San Luis Obispo counties. Another new *Hand-Book* covering northern California and Nevada was published a few weeks ago. Copies of both *Hand-Books* may be ordered from The National Underwriter Co., 420 East Fourth Street, Cincinnati 2, Ohio. Price \$15 each.

ministrative action is not open to judicial review when it fails to say affirmatively that the right to such review exists.

This sent the industry to the legislature for procedural relief, and as a result section 34 of the New York insurance law was amended as of April 21, 1956, to provide that "any" order of the superintendent is judicially reviewable, whether or not a specific grant of judicial review is set forth in various sections of the statute.

Thus the legislature overcame the drastic procedural doctrine enunciated by the court.

WELFARE PLANS

Turning now to an instance of supervision by sovereignty of a subject matter in which the insurance industry has a cognate though not a direct interest, we touch upon the subject of welfare plans:

(c) *Welfare Plans*. A bill has been introduced in the United States Senate (S. 3873) which would require registration by all types of employee welfare and pension benefit plans covering 25 or more employees, and in case of employers with 100 or more employees the bill would require the filing of annual reports. This bill, called a "disclosure bill" rather than a "regulatory bill," was introduced against a factual background indicating that over 75 million persons are now covered in some measure by employee welfare fund programs. Annual contributions to them total more than \$6.8 billion. Pension reserves in connection with them have been piled up in the amount of \$20 million to \$25 million.

Sen. Douglas, who introduced the bill, has stated that "Grave abuses and many opportunities for abuse have been revealed by our investigations, although the great majority of the plans seem to be honestly and responsibly administered."

It is true that the bill calls for disclosure by others than insurance companies, but the insurance industry must be interested in Sen. Douglas' further statement that "The agency charged for the administration of the act under this bill would be the Securities & Exchange Commission, although the subcommittee found this allocation of responsibility its most difficult decision."

Similarly, the insurance industry must be interested in the fact that the federal sovereignty in the person of the SEC has been scrutinizing variable annuities.

(d) *Variable Annuities*. On June 19, 1956, the Securities & Exchange Commission began a court test in the

COMMONWEALTH LIFE

INSURANCE COMPANY

More Than 500 Agents

In Kentucky Alone,

Serving Each of

The State's 120 Counties

HOME OFFICE:

Commonwealth Building
Louisville

The Tallest, Finest Office
Building in Kentucky



STOCKS

By H. W. Cornelius Bacon, Whipple & Co.
133 S. LaSalle St., Chicago, Aug. 28, 1956

	Previous	Current
Week's Bid	Bid	Asked
Aetna Life	180	180 183
Beneficial Standard	33	34 1/2 35 1/2
Cal-Western States	87	87 90
Colonial Life	112	108 110
Columbian National	92	90 92
Commonwealth Life	23 1/2	23 1/4 24
Connecticut General	285	273 276
Continental Assurance	139	138 140
Franklin Life	86 1/2	84 86
Great Southern Life	83	82 85
Gulf Life	32 1/2	32 33
Jefferson Standard	126	126 128
Kansas City Life	1370	1360 1380
Life & Casualty	39 1/2	39 40
Life Insurance Investors ..	14 1/2	14 1/2 15 1/2
Lincoln National	238	232 235
Missouri	22	22 23
National L.&A.	98	97 99
North American, Ill.	22	22 23 1/2
N.W. National Life	81	80 84
Ohio State Life	223	220 223
Old Line Life	61	63 66
Southland Life	98	98 102
Southwestern Life	108	106 110
Travelers	73 1/2	72 1/2 73 1/2
United, Ill.	24	24 1/2 25 1/2
U.S. Life	31	31 1/2 32 1/2
West Coast Life	50	49 51
Wisconsin National	55	55 57

United States district court for the District of Columbia by seeking an injunction to halt the sale of annuity policies by the Variable Annuity Life Insurance Co. of America, Inc., with headquarters in Washington. The contention of the SEC apparently is that under variable annuity contracts the company is not obligated to pay a fixed sum periodically, as are issuers of conventional annuities, and since the company's contract calls for the payment periodically of sums varying in amount (depending upon the value of an underlying fund invested in common stocks or in other equity-type investments) the SEC claims that the company's contract is an investment contract and a certificate of interest or participation in a profit-sharing agreement within the definition of the term "security" contained in the securities act of 1933. Hence the offer of sale of such a contract, according to the SEC, is subject to the registration provisions of the act. The insurance company contends, on the other hand, that variable annuities are a relatively new form of life insurance contract. It contends, therefore, that

it is insurance business, and like every other insurance business should be regulated in accordance with the laws of the 48 states and the territories, under the supervision of the insurance commissioners of those sovereign jurisdictions.

URNS TO TAXATION

It will be interesting to follow the progress of the test case on this highly controversial subject matter. In the meantime, we turn the tapestry to another subject:

(e) *Taxation of life insurance companies.* On March 13, 1956, a direct impact by sovereignty upon the insurance industry was made by the enactment of the life insurance company tax act, which provides a tax on life insurance companies for the year 1955. It has been called a "stopgap" bill, and in this connection the Secretary of the Treasury has stated: "I suggest that an attempt be made to develop a method of taxing life insurance companies like other business, on the basis of their entire income from all sources, with appropriate deductions for their

expenses and additions to their reserves against policy contracts...."

It is estimated that the tax imposed on life insurance companies for the calendar year 1955 under this act will be \$248 million. If the life insurance companies had continued to pay taxes under the formula in effect in 1954 the tax on 1955 income would have been \$197 million. Hence there is an indicated increase in taxes of \$51 million. The implications of this figure for the future are best drawn from Mr. Justice Cardozo's thought when he wrote: "A few strokes of the brush. The rest is for the imagination of the artist."

In addition to the revenue collected from insurance companies federally, all states now impose a gross premium tax, which is, in effect, a gross receipts tax. The amount collected in 1955, from life insurance companies alone, was \$189 million, or almost double the amount paid a decade ago.

Several states, in addition to imposing this gross receipts tax on insurance premiums, apply it also to considerations which the companies receive for annuity contracts. This is even more unfair than the heavy increase in the

508 Mass. Mutual Agents Qualify for NQA

Massachusetts Mutual agents qualifying this year for national quality awards totaled 508, up 25%. Thirty-one agents have qualified for at least five years, 28 for 10 years and 22 for every year during the 12-year program. The awards are given by National Assn. of Life Underwriters and LIAMA for a high volume of quality business with a low lapse ratio.

Massachusetts Mutual has the highest percentage of CLUs in the business, according to Vice-president Charles R. Schaaff. He said the professional training received through such courses of study is a major factor in the company's attainment of an above-average sales record with a gratifying record of persistency.

tax on insurance premiums. Most annuity contracts are now issued in connection with employee benefit plans and frequently this tax is greater than all the other administrative costs of the plans. Since non-insured plans are not subject to this tax, the price differential it causes tends to dry up the annuity business which the insurance companies legitimately should have, and it is encouraging employers, particularly small employers, to use self-administered plans, which frequently are not as desirable from the security viewpoint as the annuity contracts issued by the life insurance companies.

AD REGULATION

(g) *Regulation of Insurance Company Advertising.* In 1868 it was decided in *Paul vs Virginia*, 75 U. S. 168, that an insurance policy is not an article of commerce, and that therefore the business of insurance is not subject to federal regulation.

In 1944 this doctrine was reversed in *U. S. vs Southeastern Underwriters Assn.*, 322 U. S. 533, with which everyone in this room is fully familiar. I should like, however, to recall just two sentences from the dissenting opinion of Mr. Justice Jackson: "This court only recently recognized that certain former decisions as to the dividing line between state and federal power were illogical and theoretically wrong, but at the same time it announced that it would adhere to them because both governments had accommodated the structure of their laws to the error. *David vs Department of Labor*, 317 U. S. 249, 255. It seemed a common-sense course to follow then, and I think similar considerations should restrain us from following a contrary and destructive course now...."

Immediately after the *Southeastern* decision, a vigorous debate ensued, as we all know, and there were many who believed that whether or not Mr. Justice Jackson was right in urging that the courts should "accommodate the structure of their laws" to erroneous legal theory, nevertheless a statute should be passed to clarify for all time the views on state regulation which he expressed.

Accordingly, in 1945, the very next year after the *Southeastern* decision, Congress enacted and the President signed the McCarran-Ferguson act or so-called "public law 15" (59 Stat. 33 (1945) 15 U. S. C. 1011 ff.), manifestly intending to crystallize dissenting views such as those of Mr. Justice Jackson into statutory law.

On April 27, 1956, the Federal Trade Commission by a 3 to 2 decision (on a vote of 3 to 3, if we could count the

(CONTINUED ON PAGE 6)

OUR AIMS ARE SIMPLE

We just aspire to be known as a
Company which is:

A good "citizen" and a good neighbor
in each community where we operate.

A good place to work with security
and opportunity.

A good place to buy Life Insurance.



THE
NATIONAL LIFE
AND ACCIDENT
INSURANCE COMPANY
HOME OFFICE - NASHVILLE, TENNESSEE

The Weakest Spot

In The

Life Insurance Business—

Where Is It?

No matter how strong your company, or how well known.

No matter how advantageous your policy, or how reasonable your rates.

The weak spot in your proposition is and always has been in the quality of salesmanship that represents you.

Personal salesmanship is faltering, groping, fearful, forgetful, uncertain.

Your presentation is not made as you want it made.

The salesman wanders, forgets, is confused by interruptions, with the result that your presentation is not made with 50% efficiency—probably not 25%—even less in some cases.

Life Insurance is not bought **because** of the average sales presentation but **in spite of it**, in many instances.

LIFE INSURANCE MUST HAVE SOMETHING BASICALLY NEW

and here it is—already proved.

Audio-Visual is the full and complete answer.

A wholly different method of selling—fundamentally and radically unlike the personal salesmanship that falls so short of measuring up to the other elements of your proposition.



NOTHING COULD BE MORE SIMPLE

Your agent goes in with a Sound Slide-film machine and runs a talking picture show which presents your proposition **the way you want it presented.**

This show appeals to the eye and ear simultaneously.

It is vibrant with human interest.

It is believed because it is a direct presentation of your company.

The agent rests during the show, and when it is finished he is ready to close the sale.

One report states five showings resulted in five sales.

Another company reports business 70% over last year.

This system is a great trainer of men.

And it helps you to get new men.

Write for a complimentary copy of

"I AM THE GREATEST LIFE INSURANCE SALESMAN IN THE WORLD"

It will tell you **why** Sound Slide-film sells Life Insurance—**why** it will increase your business **at least 25%!!**

O. J. McCLURE TALKING PICTURES

1115 West Washington Boulevard
CAnal 6-4914 Chicago 7, Ill.



Tax Burden Too Heavy for Life Companies

(CONTINUED FROM PAGE 4)

ballot of the Commission's examiner) in *Matter of the American Hospital & Life*, the FTC, decided that it could pry between the lines of the McCarran act and establish in the federal government a control over insurance that dare say in the light of the statute as written the common man cannot un-

derstand and the common lawyer cannot justify.

To the objective observer, the opinion of the majority of the commission in the American Hospital case is a clear overreaching by the federal sovereignty.

Any fair reading of the McCarran

act indicates that by it Congress had deliberately subjected the business of insurance to the laws of the several states and specifically excluded interference by the Federal Trade Commission unless the insurance business "is not regulated by state law."

There have of course been many cases in which states have been allowed to place reasonable regulations upon interstate commerce.

The strained advocacy of the ma-

jority opinion unfortunately makes one look askance at the 6-volume report of the Federal Trade Commission on the status of state regulation of insurance, even though it is an objective study properly undertaken to determine the extent of the Commission's responsibilities.

LEGISLATION SUGGESTED

The basic concept of the insurance business over the years has been indemnity against loss and hardship. And no one is more solidly the object or beneficiary of insurance than the common man. Hence when sovereignty overreaches, the recourse of the industry and of the bar generally should be back to the people and to their representatives in the legislature.

I venture to suggest specific subjects for immediate legislative action:

1. The majority opinion in the *American Hospital* case should be met head on by an amendment to the McCarran act.

One possible amendment would be along the line of that incorporated in the Walter bill (H. R. 3270) of the 78th Congress in 1945. That bill would have made the federal anti-trust laws and related laws completely inapplicable to the insurance business. But Congress, in its wisdom, did not enact the Walter bill. Instead, in the following year, it passed the McCarran act.

Since the Federal Trade Commission, however, by the majority decision in the *American Hospital* case in 1956, has attempted its bizarre gloss upon the statute, it may well be that Congress will be quick to make assurance doubly sure by spelling out the language of the statute explicitly and indubitably.

TAX CHANGE NEEDED

2. Modifications of the tax laws are sorely needed for the benefit of the common man.

In this connection, let it be recalled that the *New York Times* of July 6, 1956, editorially observed that with the closing of the books of the United States Treasury for the fiscal year 1955-56, there is unimpeachable arithmetical evidence that the federal budget has been balanced. The editorial states:

"The 1955-56 fiscal year will go into the records as the first time the budget has been balanced since 1951 and only the fourth time in the last quarter of a century, and it will represent the first fiscal 12 months that the public debt has been reduced since 1948. What makes the balance of the budget in 1955-56 a solid achievement is the fact that it has been done the hard way and the only way that is consonant with wise and courageous fiscal policy."

The man who above all needs a wise and courageous public fiscal policy is the inarticulate common man of 1956. He is caught between the upper and the nether millstones of inflation and speculation. The crushing impact upon him of the federal income tax has been dramatically demonstrated by Mr. T. Coleman Andrews of Virginia in his celebrated article in the *American Weekly* of April 22, 1956, which brought him so much mail that he reached the conclusion that he had started a revolution. He views excessive income taxation as an "intolerable threat to the unfettered freedom of enterprise upon which, with faith in and the help of Providence,

"I hear so many men regret not starting life insurance sooner"

A reminder to busy young men

from J. SPENCER LOVE,

Chairman of the Board,
Burlington Industries, Inc.,
world famous textile producers

"IT'S HARD for a young man just starting out to appreciate all the advantages of life insurance. So often, by the time he does, premiums are higher and he may have problems with his medical examination. I've seen it happen.

"That's why I would encourage any young man to get his first life insurance policy as soon as he can... certainly by the time he lands his first permanent job. And then to add to his life insurance as often as he can. He will never regret it.

"In fact, no matter how farsighted he is... no matter how much life insurance he owns... chances are that some day he, too, will wish that he'd gotten still more while he was young."

★

WHY POLICYHOLDERS ARE SO LOYAL TO NORTHWESTERN MUTUAL...

THIS company is one of the world's largest, with 99 years' experience and a reputation for low net cost.

It is also a company noted for progressiveness. For example, a new program of settlement options offers, by contract, a flexibility and choice of action never before known in life insurance.

Here is further evidence that there are significant differences among life insurance companies. It is one reason why each year nearly half the new policies issued by this company go to present policyholders.

For sound help in your security planning, call a Northwestern Mutual agent.

KARSH, OTTAWA

A NORTHWESTERN MUTUAL POLICYHOLDER. Mr. Love has for many years made life insurance a basic part of his financial planning.

The NORTHWESTERN MUTUAL Life Insurance Company

MILWAUKEE, WISCONSIN

APPEARING IN TIME, SEPTEMBER 10 AND OCTOBER 8; IN NEWSWEEK, OCTOBER 22 AND NOVEMBER 19

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the present greatness and strength of our country was built and the achievement of its destiny depends."

Again, Mr. Cameron Hawley of Pennsylvania, writing in the *Saturday Evening Post* of July 14, 1956, has pointed out the immorality of the tax laws and their enervating effect upon the citizenry in their ethics, in their business endeavors and in their daily lives generally.

With few exceptions, the common man of 1956 has little ability to save for his old age or for his dependents. If he is educating his children he is probably in debt. Just as "taxation without representation is tyranny," so taxation which forbids thrift is slavery.

The old fashioned doctrines of thrift have been the cornerstone of the insurance industry of the United States, as they have been the cornerstone of the characters of the citizen, of his city, of his state, and of his nation.

TAX RELIEF FOR DEBTORS

3. The bar and the industry should support a bill which would grant to a debtor a discharge of his tax obligations where the debtor has been guilty of no fraud but finds himself reasonably unable to pay his accrued tax debts. The bankruptcy act explicitly denies debtors the right to be discharged from their tax obligations to the government. This makes tax obligations eternal, so that neither bankruptcy nor death terminates them.

The cases are legion of persons in this unfortunate and inextricable position. This is particularly true, of course, where by virtue of the debtor's profession, his earning capacity may be short lived. Heavy earnings in a comparatively short period of time may have resulted in heavy expenditures, even if improvident, and the debtor finds himself a heavy obligor to the government, which he has no means or hope of paying. Once in debt he can never emerge. Interest accrues on his obligation. Even if his future earnings should be relatively high, he nevertheless can save little above the high current taxes that he is required to pay, plus interest on the accrued obligation. The principal of the debt will be hardly decreased at all. All incentive to continue in a constructive capacity ceases, because if there be a surplus, the government may seize it for the past obligation without appreciably diminishing the debt. Not only is the humanitarian purpose of the bankruptcy law thus thwarted, but the government and the community lose as well. Productive enterprise in such a person is stifled, and the government will not receive as taxes upon his future income what otherwise would have been available. The community suffers because it is deprived of the productivity and initiative of a hopeless man.

OVERZEALOUS NEW YORK

4. There should be a re-examination of the laws by which the state of New York regulates out-of-state activities of out-of-state insurance companies. Complaint has been made that New York has been overzealous in the extent to which it has exercised its police power in the protection of its own citizens by the imposition of far-reaching conditions precedent to the operation in New York state by out-of-state life insurance companies. (See, for example, the observations of Mr. Buist M. Anderson, entitled, "Extraterritorial Operation of Insurance Regulatory

(CONTINUED ON NEXT PAGE)



NEED ROOM TO GROW?

Feel cramped? Want to expand?
Want to run your own show?

New depth in the field is a vital part
of Central Standard Life's vigorous
"from now on" expansion program.

Opportunities for your own general
agency at the grass roots, the four
corners, possibly your home town.
Top commissions with vested life
time renewals for general agents,
special agents, multiple lines
men and brokers.

Write, wire or phone

Claire L. Gsell, Vice Pres.

CENTRAL STANDARD LIFE

Founded 1905 - **INSURANCE COMPANY**

211 W. Wacker Drive, Chicago 6

THIS, TOO, IS A CATASTROPHE!

Too many folks today get so blinded by fear of major medical expenses that they overlook the devastating impact of prolonged disability on their incomes. This is a catastrophe, too.

Happily, it's protectable—with Occidental's C-32 policy providing income for the duration of totally disabling injury or sickness! (Non-house confining first two years for sickness.)

If, like many men today, your client has sick-leave pay or other resources to weather short-term disability, this C-32 policy can be real catastrophe disability income coverage.

A 90-day elimination (he waives income for any disability under 3 months) gives him nearly twice as much income for the same premium as 1st-day coverage!

This is "More Peace of Mind Per Premium Dollar".

"A Star in the West..." ☆



HOME OFFICE: Los Angeles
W. B. STANNARD, Vice President



GOLDEN

Anniversary

JUBILEE

Just thought you would like to know...

- Members of the North American Family will celebrate a GOLDEN ANNIVERSARY JUBILEE... September 4-5-6, 1957, Edgewater Beach Hotel, Chicago. Our field members are qualifying in a special drive which began April 2, 1956 and will continue to July 5, 1957.

- Please write us if you are interested.

R. D. ROGERS, CLU — Director of Agencies

NORTH AMERICAN LIFE
Insurance Company OF CHICAGO

NORTH AMERICAN BUILDING

CHICAGO 3, ILLINOIS

Life Insurance • Complete line of Accident & Health Contracts



Statutes," 1954 *Proceedings of Insurance Section, American Bar Assn.*, pp. 250-260.) In the limitation of expenses of such companies, New York has even dealt with the pattern of commission payments which such companies must follow in other states in the sale of insurance to citizens of other states through agents resident in other states. There is doubt that such detailed extra-territorial regulation bears any close relationship to the financial ability of those out-of-state companies to meet their obligations in New York. As Mr. Anderson has stated, "as this national regulation of insurance by New York is extended further, it becomes a serious threat to our system of state supervision."

OPPRESSIVE TAX

5. Especial support should be given to legislation which will substantially reduce the oppressive taxes now borne by insurance.

You have heard the general federal and state statistics which indicate how crushing are the tax burdens upon life insurance. Let me amplify this generally by a specific example:

Had I the good fortune to be a citizen of Texas and to invest \$100 in out-of-state life insurance protection for my small family, Texas would require over three dollars of my \$100 to be paid to the state treasury by way of gross premium tax. This payment represents a direct increase in the cost to me of my life insurance. Over a 30-year period that increase in cost amounts to one full annual premium. The tax is a recurring one, which has to be repaid during every single year of the life of the policy.

This homely example serves to point up the startling fact that when life insurance company taxes are increased by millions of dollars such increases, at least in participating insurance, are going to be paid out of the pockets of the policyholders, to whom life insurance is a savings mechanism. And that is true for both state taxation and federal taxation as well. Inevitably, taxes are going to be paid out of funds available for the distribution of dividends to mutual policyholders. Is it not discriminatory to tax such savings when there is no comparable tax on the savings bank balances of individual depositors in savings banks?

SEES DRASTIC EFFECT

Further, the effect of overtaxation upon the private purses of the men and women who are stockholders of insurance companies is going to be drastic. It needs no actuary to draw this conclusion, in view of the figures cited earlier today to the effect that a decade ago the total amount collected by the states alone upon only life insurance premiums was about half the sum of approximately \$189 million collected by the states in such taxes in 1955. These figures were with respect to life insurance premiums alone and did not include taxes on fire insurance premiums, casualty insurance premiums, workmen's compensation premiums or any other kind of insurance premium. Nor did they include any taxes on real estate or any licenses or fees.

We need not labor the obvious. It is imperative to the industry and to all its clients that in the very next legislative sessions insurance be granted ample tax relief.

Other flaws in the tax laws and in

Pacific Mutual Policy Features Reduced Premium for First Two Years

A new participating life policy was introduced by Pacific Mutual Life at the recent annual conference of the company's Big Tree Top star field leaders in Bretton Woods, N. H. Known as "modified 2," the new plan features reduced premiums for the first two years. On the basis of the present dividend scale, annual dividends will be available beginning at the end of the second policy year and will offset substantially the premium increase thereafter.

The "modified 2" will be issued in amounts of \$15,000 or more to men and women between ages 10 and 65. The company's regular underwriting regulations will apply, and A&S and other supplementary benefits may be added if desired.

The new plan was formally presented at the Bretton Woods conference by Vice-president Ralph J. Walker. This year's meeting of the Big Tree production honor club brought together about 122 qualified delegates, a 30% increase over last year's attendance and roughly 15% of the company's entire sales organization.

laws affecting the insurance industry and its clients will readily come to mind, whether in the fields of investments in stock, acquisition of real estate, welfare plans, the taxation of life insurance companies, or otherwise.

Such flaws are instances of the overreaching of sovereignty, whether witting or unwitting. Insurance against such overreaching is to be found in recourse to the people and to their legislative representatives. And the time is now.

We need hardly be reminded that 'There is a tide in the affairs of men, which taken at the flood leads on to fortune. Omitted, all the voyage of their lives is bound in shallows and in miseries.'

TRAINING DIRECTOR \$15,000

This position with a progressive West Coast company requires a top personality to take over the training division and put real life into it. This man must know Ordinary Group and S. & A. Must be forceful to sell sales ideas to the field force. He should know agents and general agents problems.

We will treat all replies confidential.

FERGASON PERSONNEL

330 S. Wells Street Chicago 6, Ill.
HARRISON 7-9040



BANK LOANS ON VESTED RENEWALS

THREE OR FOUR
YEAR REPAYMENT

UNDERWRITERS CREDIT & GUARANTY CORPORATION

340 Pine Street, San Francisco 4, California
Southern California & Arizona Branch Office
9935 Santa Monica Blvd., Beverly Hills, Calif.

Sales Ideas That Work

Agents Can Help Lessen Complaints on A&S By Proper Selling Technique

Proper selling could eliminate many, and perhaps most, of the valid complaints which are made to insurers and insurance departments about A&S insurance. If the agent explained the policy correctly and made clear what it does not do as well as what it does, there would be far less misunderstanding among policyholders. This is the belief of most insurers and insurance departments. They back this belief with breakdowns of reasons for complaints and point to where the misunderstanding began.

Among comments and suggestions made by insurance commissioners to eliminate complaints about A&S one department stated that in many cases a complaint is technically or legally unjustified, but the complainant has, nevertheless, misunderstood the extent of the protection afforded by his policy. Even though a company has fulfilled its obligations under a policy and even though there has been no actual misrepresentation to the policyholder of the terms of the policy, he may not receive the benefits to which he believes he was entitled.

This misunderstanding could be eliminated by the policyholder reading his policy or by the selling agent explaining in detail the provisions of the contract. Of course, most people do not read their policies. There are even people who advocate that policyholders should not read the policies.

However, as an A&S executive puts it, the policies are printed in large type, have the simplest possible terms, and are designed, under the uniform code, to be easily read and understood. If the average A&S policy—in which there just isn't any "fine print"—were to be compared with a fire, automobile or life policy, or most of the other types of insurance policies, it would show a startling simplicity. The A&S policy, in comparison, is direct and not too difficult to understand. The policy is no longer couched in so called "legal language." All A&S policies are printed in 10 point type or larger. So, the insurer concludes, the policyholder could read the policy and understand it, in the bargain, without too much difficulty.

Insurance departments believe the best way to eliminate or lessen complaints is to control all advertising material and have each complaint investigated promptly by competent investigators.

There is a general feeling, which has been voiced by some insurance commissioners and many times by the public press, that A&S is responsible for more complaints to insurance departments than all other types of insurance combined. This, if one is to use the figures for 1955 of the New York insurance department as a criteria, is just not so. A&S complaints in 1955 in that department numbered 522, while all complaints totaled approximately 3,000.

Leading the list of reasons for A&S complaints in the New York department were preexisting conditions. They totaled 84 out of the 522.

This reason is closely allied with reasons listed by the department as "misunderstanding of extent of cover," which numbered 53; "misunderstanding of policy exclusions," numbering 23; and "misunderstanding of policy conditions," which amounted to 11.

One insurer executive said he believes preexisting conditions cause so much grief in the A&S field because people do not understand they can no more get insurance for a disease that already exists than they can go out and buy a fire policy after the house

catches fire.

For example, he said, he has had friends—persons he believes to be at least normally intelligent—say to him, "My mother has to have an operation, where can I get a good hospital policy?" This kind of thinking is ludicrous to an insurer, but the insuring public apparently feels it is proper—or at least not immoral.

Also adding to the confusion about preexisting condition coverage is group A&S which, because of the spread of risk, does not exclude preexisting conditions, or bring present health into the picture when the risk

is written.

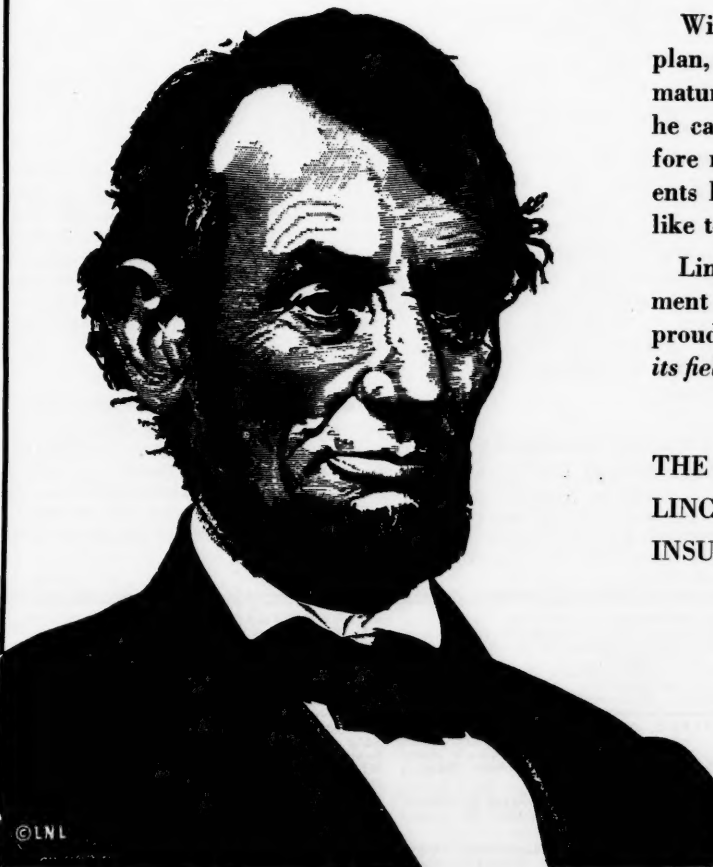
This thinking makes it doubly difficult for the individual A&S insurer to explain to policyholders why preexisting conditions cannot be covered.

This thinking, too, might also be stimulated by the lack of proper selling. When a person makes a complaint about the non-payment of a claim, and it is evident that the claim is caused by a preexisting condition, there still might be grounds for complaint, even though the claim cannot, by its nature, be paid.

Most claims are made within the first policy year, it has been found. Consequently, a preexisting condition complaint would not be valid until the two-year absolute incontestable clause came into effect. In one state only four of 52 complaints involving a preexisting condition or exclusion would

(CONTINUED ON PAGE 13)

FLEXIBLE-AGE RETIREMENT



With LNL's flexible-age retirement plan, the policyholder does not set the maturity date when buying the policy; he can wait until the date arrives before making his choice. Naturally, clients like this feature and LNL agents like to present it.

Lincoln National's flexible-age retirement plan is another reason for our proud claim that *LNL is geared to help its field men.*

THE
LINCOLN NATIONAL LIFE
INSURANCE COMPANY

Fort Wayne 1, Indiana
Its Name Indicates Its Character

©LNL

EDITORIAL COMMENT

Success Factors Need Pinpointing

The common denominator of success, according to the late Albert E. N. Gray of Prudential, is the willingness to do those things that the failures are unwilling to do. This observation is so incontrovertibly sound and has been so frequently quoted that it has doubtless been a factor in contributing to the success of thousands. But isn't there some way in which this guiding principle could be made even more widely useful?

For every man who can adopt that maxim and really shape his behavior to conform with it, there must be hundreds, probably thousands, who just as ardently endorse it and sincerely believe they are putting it into action but still are falling pathetically short. Most men, of course, are probably incapable of achieving any sort of outstanding success. The minority that have the success potential might be grouped into three categories: Those who have so much drive, ambition and native ability that they achieve success without much regard for outside aids and in spite of almost any conceivable roadblock; those who must do considerable groping until they happily discover some principle or inspiration that gives their work purpose and direction; and the great majority of potential successes who lack the ability to nourish the seeds of success in the absence of capable teaching and leadership to at least get them started.

These latter are the ones who listen with rapt attention to the expounding of a great truth like that in Mr. Gray's maxim. They exclaim, "By golly, he's so right!" They resolve to build their lives around this principle. But in attempting to do those things that the failures are unwilling to do, our man is handicapped without knowing it, because there are fatal gaps in his knowledge. He doesn't know enough about what it is that the successful people do and the failures won't do. Or at best his information is so vague and inaccurate as to be worse than useless, because it leads him to waste time in the belief that he is following the maxim to the letter whereas he really is only doing so in certain fairly unimportant particulars.

Nearly every quality associated with success—accuracy, diligence, open-mindedness, initiative, decisiveness, as a few examples—can be easily carried to such unwise extremes that it becomes a failure factor. Just as aggressiveness—a certain amount of

which is vital to a salesman's success—can be overdone to the point where it defeats its own purpose, so can all the other qualities listed become liabilities when employed ineptly. Adding to the problem is that usually the degree to which any success factor should be applied depends on the skillful use of other qualities in the success formula. In fact, a professional juggler's job seems easy by comparison.

A natural comment on this situation would be that if a man needs all this leading by the hand in order to bring out his success potential, maybe he isn't worth bothering with. Yet this rugged sink-or-swim reaction is a little like saying that coaching athletes is all nonsense because if a man is neither a natural athlete nor capable of developing by watching other performers, then he is not worth fooling around with. Yet everybody knows that while there has to be an innate potential for athletic prowess, skillful coaching can often make the difference between a hopelessly mediocre player and one who has every right to be considered a real success.

Too often the fumbling would-be success, in athletics, business, or anything else, needs a good coach to show him how to change his technique. In this way a man learns the subtle but vitally important distinctions between the right techniques and what he wrongly has imagined the right techniques to be.

This is especially important in the field of insurance selling, because the difference between right methods and wrong ones show up so dramatically at the pay-off window. It is for this reason that further research into the methods of successful agents is so urgently needed. Too much of the coaching that agents get is far less specific—and hence far less effective—than it would be if more were known about the techniques of outstanding performers.

What must be remembered is that while successful men do the things that failures are unwilling to do, it doesn't follow that all of the things that failures are unwilling to do are by that token factors in success.

40% of Insured Families Know They Lack Enough Life Insurance

Forty percent of insured American families know they do not have enough life insurance and one-eighth of them

feel they have far too little, according to a nationwide survey on attitudes toward life insurance made for Institute of Life Insurance.

One-third of those who felt they did not have enough said they could not afford enough and 3% said they were ineligible for more. Present average life insurance per family is \$7,200, twice the figure of 10 years ago.

PERSONALS

Homer F. Fultz, general agent at Springfield, Ill., for Franklin Life, is an especially popular man with friends and associates who are golfing enthusiasts, since he has a putting green in his back yard. The 3,000 square yards of perfectly trimmed bent-grass is excellent for "pitching and putting." The area is illuminated with flood lights at night. Six holes placed strategically make it possible to play various "lies" of the sloping green.

Mr. Fultz is the father of Lt. Col. Duane Fultz who was a member of the seven-man board which sentenced Staff Sgt. Matthew McKeon in the now famous "death march" court martial.

Roger Hull, executive vice-president of Mutual of New York, will speak at an Oct. 17 luncheon concluding the 3-day annual office management conference of American Management Assn. in New York City.

Mrs. Fannie L. Hoopes, Anchorage, Aetna Life's only agent in Alaska, has become the first woman in the company to be graduated from its advanced training school at the home office.

Dr. Leonard W. Ferguson, program director of LIAMA's research division, will discuss the heritage of industrial psychology at American Psychological Assn. meeting in Chicago.

Powell B. McHaney, president of General American Life, wrote an article for the *St. Louis Globe-Democrat* which pointed out the importance of life insurance as a source of funds for investment in business enterprises and in mortgages.

Louis C. Halley, assistant vice-president and educational director of Security Life & Accident of Denver, has been elected a director of Rocky Mountain chapter of the Arthritis & Rheumatism Foundation. He also was appointed Colorado state campaign chairman of the "Stop Arthritis Week," an annual drive which, this year, will start Nov. 11.

Isadore Samuels, a veteran general agent for New England Mutual Life at Denver, recently was awarded an honorary degree of doctor of public service at the University of Denver's summer commencement. Mr. Samuels, who retired last April, practiced law

in Missouri for a few years before going to Colorado in 1922 as Colorado and Wyoming general agent for New England. He is president of the Denver board of education.

Roy Lang of Boston, New England manager of National Underwriter Co. and Mrs. Lang are proud parents of a baby girl, Sheri Lee.

H. Dixon Trueblood Jr., son of vice-president H. Dixon Trueblood Sr. of Occidental Life of California and Mrs. Trueblood, will be married Sept. 11 in Holy Trinity Episcopal church, Covina, Cal., to Miss Joan Reva of Las Vegas, Nev.

Fred Newton, a member of the Dallas branch office of Republic National Life and resident of Gainesville, Tex., appeared on the TV program, "I've Got a Secret," Aug. 29. His secret? He once swam the Mississippi river.

DEATHS

W. C. F. ARNOLD, 79, State Life of Indianapolis general agent at San Antonio, died unexpectedly at his home, apparently of a heart attack. He had been with the company in the San Antonio area for more than 30 years.

FRANK A. MCDEVITT, 60, manager at Omaha for General American Life, died. He was a past president of Nebraska Assn. of Life Underwriters and a Million Dollar Round Table member.

A. G. SKINNER, 67, mortgage secretary of Phoenix Mutual Life since 1954, died unexpectedly at his home in West Hartford, Conn. He joined the company in 1931 after doing a survey of farm mortgage problems for a group of life companies. He had previously been a professor of animal husbandry at University of Connecticut.

JOHN A. JONES, 84, with New York Life for 61 years and still active in the business until he became ill three months ago, died in an Atlanta hospital. He was a past president of Atlanta Assn. of Life Underwriters which honored him on his 60th anniversary in the business last September. He was a founder of Atlanta Life Managers & General Agents Assn.

CHARLES B. LYNCH, 64, agency secretary of Pilot Life, died unexpectedly. He joined the company in 1941 and was in Raleigh and Knoxville, N. C., before entering the home office 11 years ago.

LESLIE J. ROBERTS, 56, district sales manager for Woodmen Accident & Life, died of a heart attack at his home in Hillsboro, O.

HAROLD G. ALLISON, 61, superintendent of licensing division of the Illinois department, died at Spring-

THE NATIONAL UNDERWRITER

Life Insurance Edition
EDITORIAL OFFICE:
50 John St., New York 38, N. Y.
Executive Editor: Robert B. Mitchell.
Assistant Editors: John B. Lawrence, Jr. and Eloise West.

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BOSTON 11, MASS.—207 Essex St., Rm. 421, Tel. Liberty 2-1403. Roy H. Lang, New England Manager.

CHICAGO 4, ILL.—175 W. Jackson Blvd., Tel. Wabash 2-2764. O. E. Schwartz, Chicago Mgr. R. J. Wiegand, Resident Manager.

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Nora Paul Had Long, Colorful Career in Insurance Publishing

By HOWARD J. BURRIDGE

Even though she retired from active business life nearly 11 years ago, there must still be many who recall the vigorous and colorful personality of Mrs. Nora Vincent Paul who died in Fort Lauderdale, Fla., last week. She was one of the few women to achieve distinction in the field of insurance publishing. There have been others of course, such as Abbie Gantz, formerly librarian of the Fire Underwriters Assn. of the Northwest, Lessie Hill, now Mrs. George W. Wadsworth, and a few more, but no woman was so outstanding for so long a period of time as Mrs. Paul. She carved out a unique place for herself during the years that she was in charge of the eastern business activities of the National Underwriter Company with headquarters in New York.

Mrs. Paul was not merely a sales woman of unusual abilities, she came from an insurance background and was felt by all with whom she came in contact to know what she was talking about. As a young woman she began her career in a local agency at Evansville, Ind. She married Jack Paul of Lloyd-Thomas Appraisal Co., and when he died she was obliged to go back into the business world to earn her living and to support her young daughter, Dorothy. She was a stenographer in the western department of Providence Washington and had previously been with the Chicago local agency of Moore, Case, Lyman & Hubbard when C. M. Cartwright, then managing editor of the National Underwriter, offered her a position in the Chicago office of what was at that time the Western Underwriter Company. That was about 1917 or 1918.

She began as a compiler in the handbook or insurance directory department, but she became restive with only inside and routine work to do, and because of her repeated requests was finally allowed to begin calling upon insurance executives for the purpose of selling handbooks and handbook advertising. She was an immediate success. It was found that she had unusual force and effectiveness in sales work. She was direct, persuasive, and spoke knowingly of the insurance business. At that time it was quite a novelty for insurance executives to be called on by a woman and she was accorded a much more considerate reception than would have been given to a man doing the same work.

Her accomplishments were so outstanding that it was not long before she was entrusted with more important work—the sale of advertising in THE NATIONAL UNDERWRITER itself. At first

field Memorial hospital. He was in the banking business and a local agency business before going with the department.

GEORGE E. RISLEY, 73, former agency secretary of Connecticut General, died unexpectedly at his home in West Hartford, Conn. He joined the company in 1909 and was named agency secretary in 1928.

NELL EVANS JOHNSON, 81, wife of the late Dr. Joseph W. Johnson Sr., a founder of Interstate Life & Accident and its president for many years, died. Mrs. Johnson was named a director of the company in 1952.

she operated out of Chicago but her success was so pronounced that it was decided to have her stationed in New York where there were much larger business getting possibilities. Before her advent, THE NATIONAL UNDERWRITER did not have a blue cover but was published with what is referred to as a self cover. It was Mrs. Paul who changed all of this, who sold the full page advertising contracts that made the use of a color cover possible and within a few years she was well known all up and down the Atlantic seaboard.

It should be emphasized that her success did not come simply because she was a woman and company executives gave business to her for that reason. Instead, of the total orders written by her in any one year, there was only a tiny percentage of "sympathy" business. She made an impressive sales record every year because she was a thoroughgoing sales woman. She knew her subject, she spoke with authority and she knew how to make effective presentations. Because she was a woman she was feminine but she was very definitely a business woman operating on a business basis and dealing with insurance executives in a "man to man" fashion.

About 15 years prior to her retirement her locomotion became impaired as a consequence of which she was confined to a wheelchair. In a practical way this meant that she had to be driven to her office each morning by her daughter, Dorothy, who piloted her about wherever she wanted to go in a wheelchair. This meant that her actual face to face calls had to be drastically curtailed and she conducted most of her business over the telephone and by mail. It was astonishing to observe the way her business record held up during all of the years when she was the victim of her wheelchair.

After her retirement she lived quietly at Fort Lauderdale and during the past decade she was perhaps more or less forgotten because so many of those with whom she had dealt during the greater part of her business career had preceded her in death.

During her wheelchair days she showed extraordinary courage and determination, simply refusing to permit her impairment to interfere with the conduct of her business responsibilities.

Texas Life Executives Ponder Industry Topics

DALLAS—Texas Life company executives are meeting here this weekend for three days of talks on industry topics by government, industrial and educational leaders. Several hundred officers from almost 100 Texas companies are attending the 8th annual convention of Texas Legal Reserve Officials Assn. Chairman Saunders of the Texas Board of Commissioners will address a luncheon session Saturday. Other speakers include Clarence Skelton, senior vice-president of Republic National Life, and Robert Dupree of William N. Edwards Co., Fort Worth.

B.M.A. Announces A&S Expansions at Parleys

New insurance services offered by Business Men's Assurance, including recent additions and improvements to the company's line of wholesale A&S contracts, highlighted three sales meetings held in the northwest during the latter part of August.

President J. C. Higdon attended the meetings at Spokane and Salt Lake City. Representing the company at all three meetings were G. J. Tritch, field manager, and C. R. Moreland, sales assistant.

Travelers Asks for Go-Ahead on TV Station

Travelers broadcasting service has asked Federal Communications Commission to drop the FCC proposal to shift Channel 3 to Providence and to permit Travelers to go ahead and build a station. The company stated in its request that it has been trying for a channel for nine years and was awarded Channel 3 by an FCC hearing examiner a long time ago.

The FCC recently upheld the examiner's findings, but required Travelers to wait until the question of whether

Hartford or Providence should have the particular channel was settled.

Hartford Telecasting Co., which has been contending with Travelers for the Hartford channel, has asked FCC to reconsider its decision in the case.

WQMDRT Has 277 Members

Women's Quarter Million Dollar Round Table has a membership of 277, not 577 as previously reported. Bertha B. Macfarlane, Pan-American Life, New Orleans, is current chairman of WQMDRT which includes 22 members who have earned CLU designation.

BERKSHIRE'S NEW LOW COST DECREASING TERM PROTECTS BEYOND PREMIUM PAYING PERIOD



Premiums payable only 80% of term — while dividend payments continue for entire term!

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Brown to Retire from Continental Assurance

Harlow G. Brown, vice-president of Continental Assurance at New York, will retire Oct. 15.

Mr. Brown entered the business with Continental Casualty in 1913, working in the A&S field in western states. After World War I service, he returned to Denver as assistant resident manager. He was assigned to the home office when the company assumed U. S. management of Transcontinental Insurance, one of the National Fire group.

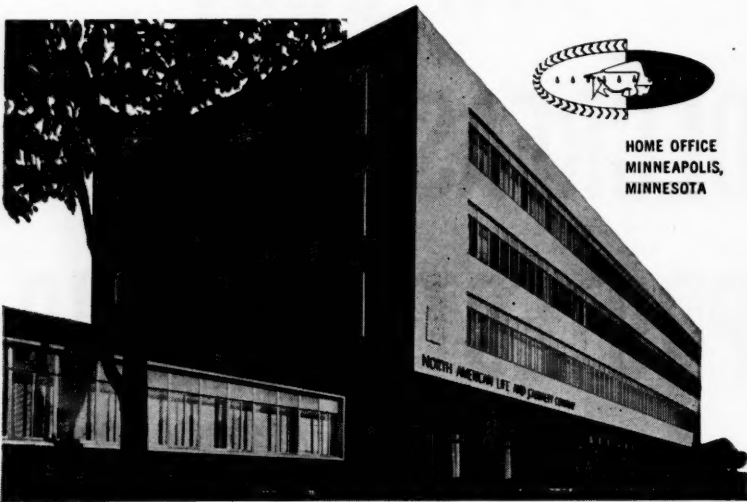
Mr. Brown was sent east in charge of

Continental Casualty's eastern seaboard production in 1925. When Continental Assurance entered New York state in 1945, he was placed in charge of life insurance development in the east. He was named vice-president in 1943.

Henry Gold of the Van Elgort agency of Midland Mutual Life, Beverly Hills, Cal., has been designated as the company's "Man of the Month" for July. He led the entire Midland Mutual field force, which numbers some 450 men and women, in production of new business during June.

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INDIANAPOLIS

Peoria Agent Sells at Least One Policy a Week for 39 Years

Ben Bloch, with Equitable Life of Iowa at Peoria, Ill., for the past 40 years, has established such a remarkable record of sales perservice that it almost defies serious competition. As of July 28, Mr. Bloch completed 2,000 weeks of consecutive weekly production. This enviable achievement sounds even more impressive when counted as nearly 39 years of weekly production, week-in and week-out without a miss.

Equitable of Iowa home office officials not only boast Mr. Bloch's constant performance as a company rec-



Shown at the presentation of an illuminated scroll attesting to the completion of 2,000 weeks of consecutive production for Equitable Life of Iowa are, left to right, F. W. Hubbell, president, and Ben Bloch, Peoria, One-A-Week Club veteran.

ord, but also believe it is quite possibly the longest record of consecutive weekly production ever to be attained by any life agent.

Mr. Bloch enjoys a comradery and faithfulness among his many policyholders that also is worthy of record. Unable to drive his car the past few years, Mr. Bloch's policyholders have cheerfully driven him wherever he desires to go, and, when permitted, have housed him overnight. During a recent illness, his policyholders assumed the responsibility of keeping his weekly production record intact by coming to him to have their life insurance written.

To commemorate 2,000 weeks of continuous production, Mr. and Mrs. Bloch were flown to Des Moines Aug. 20 where they were guests at the home office. At a reception in their honor, a framed illuminated scroll, attesting to

his record, was presented by F. W. Hubbell, president of the company. Ray E. Fuller, agency vice-president, reviewed Mr. Bloch's career.

Mr. Bloch joined Equitable of Iowa in 1916 as Peoria general agent, retiring 10 years later to devote his time to personal production. He is now with the Harold F. Ryan agency of the company.

From the beginning, he set as his goal the production of at least one application for life insurance each week, and when the company's "One-A-Week" club was founded May 1, 1916, he already had 125 weeks to his credit.

Mr. Bloch, well recognized in civic and fraternal affairs of Peoria, is a past president of Peoria Life Underwriters Assn.

Holz Rips 'Digest' Story Hinting Aid to Underworld

(CONTINUED FROM PAGE 1)

pension funds are properly administered and that the beneficiaries receive every benefit to which they are entitled. Since I have assumed the office of superintendent of insurance I have done everything in my power and will continue to do everything to see that union welfare funds and pension plans abuses are brought to my attention. I will take immediate steps to correct such abuses if it is within my power to do so.

"One of the first steps taken by me after assuming office was to retain special counsel to conduct an inquiry into those phases of union welfare and pension funds not covered by the investigation conducted by my predecessor with a view to developing appropriate remedial legislation for recommendation to the 1956 legislature. The investigation was climaxed by public hearings which were held on Nov. 21, 22, 23, and 25, 1955. At those hearings the viewpoints and testimony of all interested persons and organizations which would aid in the formulation of the required legislation were received. The abuses which were disclosed by the investigation conducted by the special counsel appointed have been and are being investigated and where irregularities or violations of the insurance law have been found, the necessary proceedings for disciplinary action are being taken.

The DeFeo Agency is under investigation and a hearing date has been set, said Mr. Holz. If the licensee is found guilty of irregularities the superintendent has the power to impose a fine, suspend the license for a specified time, or revoke it entirely. The defendant has the right to appeal to the state supreme court for a review of the superintendent's action.

The Byrnes Agency takes pride in announcing the appointment of LEE W. RICH



Lee W. Rich

as a supervisor in this agency. Mr. Rich will work with supervisor R. Jay Wilcox in directing the training activities of our new agents. Mr. Rich, a Marine Corps veteran, began his insurance career in 1946 with the Royal-Liverpool Insurance Group in New York City and since 1951 until joining the Byrnes Agency has been an agent, supervisor, and assistant general agent in the Newark agency of the Aetna Life Insurance Co.

THE BYRNES AGENCY
527 Fifth Avenue, New York 17, N. Y.

NEW ENGLAND
Mutual LIFE Insurance Company
BOSTON, MASSACHUSETTS

Proper A&S Sales Technique Will Cut Complaints

(CONTINUED FROM PAGE 9)

have been affected by the two-year clause.

The agent must understand what it is he is selling when he sells an A&S policy. Of course he is trying to make a sale and to increase his own income when he approaches a prospect. But, when he fails to have the prospect answer all the questions on the application or when he fails to explain just what the policy does not cover, he is building the foundation for a complaint which will come when the client has a claim.

A look at the other reasons for complaints made in 1955 to the New York department lead to a similar conclusion.

The list includes: dispute over amount of claim, 56; dispute over liability, 53; delay in payment, 50; total vs partial disability, 34; misrepresentation by insurer, 31; cancellation by company, 29; returned premium, 28; interpretation of policy provisions, 18; refusal to renew by company, 15; late notice, 11; waiver of conditions, eight; dispute over amount of premium, seven; misleading advertising, four; misrepresentation of cover or rate, four; and rescission of contract and return of premium, three.

As can be seen by these figures and others from additional insurance departments, misleading advertising is clearly not a major cause of complaint, either valid or unjustified. A survey of 40 states shows that many of the companies about which most complaints of misleading advertising have been received do extensive advertising, which may be an indirect catalyst of complaints.

Also, insurers, about which the largest number of complaints were made,

were among those having the largest volume of premium income.

Nationally, and common to all jurisdictions, the main causes of complaints are preexisting conditions; cancellation, non-renewal or limiting riders; and administrative delays in settling claims, completing proofs, correspondence, etc.

When a complaint is sent to a department or insurer about a claim payment, it is usually based on unsatisfactory offer of settlement, postclaim underwriting, computation of indemnity, excessive evidence being required by the insurer, incomplete claim forms, payment of partial claim offer of compromise on remainder, failure of mail order company to pay claim, or the procedural difficulties in filing claim forms.

Other complaints, revealed by a survey in 40 states, arose from insured misunderstanding policy provisions, policies being lapsed and reinstated, applications containing incorrect information, premiums not being refunded when policy was unsatisfactory to policyholder, policies containing exclusions, longer waiting period required than the usual 15 or 30 days, clauses requiring house confinement for sickness, group coverage being terminated without extension of benefits for current month even though premium was deducted from current month's pay, protection being lost, unfairly, because of late payment of premium, and companies sending unsatisfactory letters when rejecting a claim.

In a general summary of 36 states reporting, of 2,482 complaints, 43% were deemed valid by insurance departments.

Many times, as can be seen by the above figures, insurers have done nothing wrong. Take, for instance, preexisting conditions. Complaints for this reason have no merit, in one sense, but still they might reflect the lack of proper selling. If insured knows in advance of purchase that the contract excludes illness arising from a condition that exists at the time the contract is made, he is by no means so apt to feel resentment after illness sets in and a claim is denied.

One point that is and should be emphasized is that when a complaint is made to an insurance company, it is immediately investigated, first, to see if it is valid, and, if so, to take the steps to clear up the matter, and second, to determine, if possible, the reason for the complaint, even if it is not valid. The complaint is referred to company executives and studies are made to determine whether the complaint has brought up a point which indicates a need for change of procedure.

Most insurers are highly sensitive and responsive to criticism, consequently the exact nature of the complaint is important, one executive stated. If it is found that the criticism stems from a poor job of selling, the company determines whether the agency force needs better or more training or whether the questions in the application are extensive and clear enough to develop a full view of the applicant's health for the agent and his insurer and for the applicant to understand fully just what the policy covers. The application ought to be worded so explicitly that the agent

can't get off the track during the interview and the questions should be so complete that when all the questions are answered the needed information will be complete.

In the over-all picture, some companies are a little too easy in issuing policies and don't use proper underwriting or investigation. Then trouble develops on claims. Others find the agency force does not do its job properly or fully. Other insurers have cleared up the situation with a few changes in procedures. Whatever the complaint, if it is valid, the objective of companies is to do everything to avoid similar complaints in the future.

Dayton General Agents Elect Gillaugh President

Thomas H. Gillaugh, New England Mutual Life, was elected president of Dayton (O.) General Agents & Managers Assn. for 1956-57. Other officers elected are Wilfred H. Glaser, Equitable Society, vice-president; Ralph G. Trimborn, Fidelity Mutual Life, secretary, and Charles F. Eddy, Aetna Life, treasurer.

Life Companies' Assets Reach \$92,876,000,000

Assets of U. S. life companies rose \$2,609,000,000 in the first six months to reach a total of \$92,876,000,000 at midyear, according to Institute of Life Insurance.

Companies' new investments in the first half totaled \$9,150,000,000, up \$130 million, due to a large volume of funds which became available for reinvestment through maturities, amortizations, refinancing, roll-over and sale of old investments.

Mortgage acquisitions in the first half totaled \$3,446,000,000, up \$344 million, and constituted the largest single block of new investments. Mortgage holdings at midyear totaled \$31,284,000,000.

Corporate securities acquired in the first half totaled \$2,910,000,000, up \$600 million. These holdings totaled \$39,963,000,000.

Real estate holdings increased \$116 million in the first half to reach a \$2,673,000,000 total at midyear. The greater part of the increase was in commercial and industrial properties held for rental purposes and totaled \$1,580,000,000 at midyear, up \$80 million in the first half.

Service Guide

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THE
MANUFACTURERS
INSURANCE **LIFE** COMPANY

COMPANY & AGENCY CHANGES

Lincoln National Life

James H. Francis and S. William Preus have been appointed general agents at Little Rock and Tampa, respectively.



J. H. Francis



S. W. Preus

Mr. Francis, who joined Lincoln National in 1951 at Little Rock, succeeds **Newton B. Weese**, who was killed in an automobile accident July 7 while enroute to his company's annual sales conference. Mr. Francis has been agency supervisor at Little Rock since 1955. A director of Arkansas Assn. of Life Underwriters, Mr. Francis served as president of the Little Rock association during the past year.

Mr. Preus moves to Tampa from Newark where he has been assistant general agent for Lincoln since 1952. In Tampa he succeeds **G. B. Slappey**, general agent since 1952. Mr. Preus entered the life business in New Jersey in 1945 and joined Lincoln National in 1947 as an agency supervisor at Newark. Mr. Preus has held nearly all offices in the Life Supervisors Assn. of New Jersey, including that of president. He is a past officer of Northern New Jersey Life Underwriters Assn.

Mr. Slappey, who will continue as a personal producer in Tampa, began a versatile career in insurance nearly 30 years ago at Jacksonville.

Berkshire Life

John H. Henderson has been appointed sales promotion assistant, with primary duties in the areas of publicity and field publications. He has been in the publications department of Connecticut Mutual since 1952, working on sales promotion material, and previously was associate editor of *Ski Magazine*.

John Hancock

William J. Stelzer, assistant manager of the industrial policy department since 1944 and assistant secretary since 1945, has retired after 47 years' service. He joined the company as an office clerk in the industrial surrender division.

Security-Connecticut Life

Albert K. Baylow has been named assistant superintendent of agencies to supervise the group program and assist in recruiting and training managers and general agents. He joined Lincoln National Life at Towson, Md., in 1951 and was named general agent in 1955.

Northwestern Mutual Life

Three new officers have been appointed. They are **Walter B. Gerken**, named investment research officer; **Wilfred A. Kraegel**, assistant actuary, and **Walter H. Meier**, assistant director of advanced underwriting training. Mr. Gerken, an investment specialist since 1954, joined the company after serving from 1950 to 1954 as supervisor of budget analysis for the Wisconsin department of budget and accounts. Mr. Kraegel, a fellow in Society of Actuaries, joined the company in 1948. Since 1954 he has been chairman of the company's electronics working

committee, which is planning Northwestern's projected use of large-scale electronic data processing equipment. Mr. Meier joined the company in 1928, working in the secretarial department 3 years. He became a specialist in the policy title division in 1948 and a supervisor in the pension trust division in 1951.

American United Life

W. Harold Petersen has been appointed assistant superintendent of agencies for A&S sales and **Arnold P. Perkins** has been appointed manager at Kalamazoo, Mich. Mr. Petersen has seven years of experience as an underwriter, special risk manager and in A&S sales.

Mr. Perkins has 17 years experience in the life and A&S business in Michigan and Ohio. Another American United Life appointment is **Leo A. Barnhorst**, a 32 year old professional basketball star, who has been named district manager at Indianapolis. Mr. Barnhorst was an all-American at Notre Dame in 1948-49, and has played professional ball at Chicago, Indianapolis and Fort Wayne.

New England Life

Lee W. Rich has been appointed supervisor in the George B. Byrnes agency at New York. He will work with Supervisor R. Jay Wilcox in directing the training activities of new agents. Mr. Rich started in insurance in 1946 with Royal-Liverpool insurance group as a special agent calling on brokers in New York City, developing fire-casualty business. He was an agent, supervisor, and assistant general agent in the Newark agency of Aetna Life from 1951 until he joined the Byrnes agency.

Glenn G. Geiger has been appointed manager of a new agency in New York City, the company's sixth. Mr. Geiger joined New England Life in 1948 and has been a supervisor in its George B. Byrnes agency at New York since 1954. He is a member of the New York and North Dakota bar associations and of the Million Dollar Round Table. The new office is the first the company has started in New York City in a generation. It is at 261 Madison avenue.

Colonial Life

Bernard J. Lytle has been appointed general agent in New York City to succeed **Sandford R. Johnson**, who has joined the Camps agency of John Hancock in New York. Mr. Lytle, who entered the business 10 years ago, has been assistant general agent of New England Life in Brooklyn. He is a CLU.



B. J. Lytle

Massachusetts Mutual Life

Tom S. Stein has been appointed assistant general agent of the Jordan agency of Massachusetts Mutual at Chicago. Mr. Stein entered the life business in 1953 and joined the Jordan agency in 1954. He was appointed agency supervisor last year.

Equitable Society

J. Brooke Johnston and **Herbert S. Angstreich** have been appointed managers in Newark and New York City, respectively. Mr. Johnston succeeds **George W. Holt**, who is being transferred to another post to be announced

later. Mr. Angstreich succeeds Mr. Johnston in New York. Mr. Johnston joined the company at New York in 1930 and was named manager in White Plains, N. Y., in 1945. His agency and the Ott agency in New York City were merged in 1951. Mr. Johnston is a CLU. Mr. Angstreich has been with the company in New York since 1945.

Life of Georgia

Guy T. Dobbs Jr. has been named manager of a new district office at Thomasville, Ga. He joined the company in 1937 and has been in the training department.

B. J. Harmon, staff manager at Forest City, Ark., has been promoted to district manager at Pine Bluff, Ark., succeeding **Julian Troublefield**, who resigned.

A. C. Banks Jr., staff manager at Savannah, Ga., has been advanced to district manager at Columbia, S. C. Mr. Banks, with the company 17 years, succeeds **L. E. Comer**, a 25-year man, who has been transferred to the agency inspection department.

New York Life

These assistant managers have been appointed training supervisors and transferred to the home office: **Nathan Tattar**, Washington; **J. Neil McNabney**, Detroit; **John W. Denton**, Lexington, Ky.; **Harlow D. Gilbertson**, Madison, Wis.; **Robert S. Macy**, Casper, Wyo.; **Lucius H. Kentfield**, San Francisco; **Stanley H. Tobin**, Oakland; **J. Preston Coleman Jr.**, Memphis; **John T. DeBardelben**, Nashville; **Jay R. Cummings**, Fresh Meadows, N. Y.; **Irrving Frankel**, New York City, and **Leslie F. Farrell**, Ottawa.

Franklin Life



G. J. Hergenroether

George A. Hergenroether has been appointed general agent at Detroit. For the past five years he has been agency manager at Detroit for Confederation Life. Mr. Hergenroether entered the life business in 1946 with Equitable Society. He is secretary of the Detroit Agency Managers Assn.

Indianapolis Life

Thomas H. Redmond, Anderson, Ind., and **Curtis L. McClelland**, Indianapolis, have been named general agents. Mr. Redmond joined Indianapolis Life in 1954 and at the age of 27 qualified for the Million Dollar Round Table during his first full year in the business, becoming the youngest Indianapolis Life agent ever to qualify for the Round Table.

Mr. McClelland, with the company 12 years, is a specialist in business insurance for partnerships and small corporations. He was the top producer in the home office agency during 1955.

Mutual Life of New York

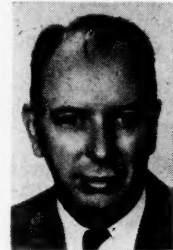
Norman J. Nicholl, agent at Detroit, has been promoted to assistant manager of the Chicago-Moats agency of the company. Named agency trainer for the Moats agency is **Seymour Friedman**, formerly an agency instructor for the New York Life.

CONNECTICUT GENERAL—**Eugene E. Larson** and **Thomas S. Smith** have been named group pension representatives at Philadelphia and Baltimore, respectively. They have been on the home office group pension sales staff.

STATE MUTUAL—**Lawrence McLean**, in the business since 1931, has been appointed home office group representative in charge of the Cleveland office.

Hart Leaves LIA for N. Y. Life; Succeeded by Kenneth Wright

NEW YORK—**Orson H. Hart**, research associate of Life Insurance Assn. of America since 1948, has re-



Orson H. Hart



Kenneth M. Wright

signed to join New York Life as director of economic studies in the investment department.

Because of Mr. Hart's leaving, LIA has appointed **Kenneth M. Wright** as associate economist in the investment research department.

Mr. Hart, a graduate of Trinity college in 1935, received his doctorate from Yale graduate school in 1946, his dissertation being on the investments of life companies for five years. Before joining LIA he was with **Lionel D. Edie & Co.**, New York investment counselors. He was previously with **Phoenix Mutual Life**. At New York Life he will specialize in economic studies and research for the investment department and will also be available for special economic assignments for the company as a whole. He succeeds **W. Braddock Hickman**, supervisor of economic studies, who resigned last April to join American Airlines.

Mr. Wright taught at Wooster college in the economics department for two years after graduating there in 1949. Columbia university awarded him a university fellowship in economics in 1953 and he received his Ph. D. degree there in 1954. He also studied at the London school of Economics. For the last two years he has been economist in the research department of the Federal Reserve Bank of New York.

Toohy to Wyoming for Mutual of Omaha

William B. Toohy has been named manager of the Wyoming division of Mutual Benefit H. & A. and United Benefit Life to succeed General Agent **E. E. Shaw** of Cheyenne, who is retiring after 33 years with the companies.

Mr. Toohy joined the companies in 1952 as district manager for Montana and was named assistant director of field operations for the sales division of Mutual Benefit in 1955.

N. Y. Life Employees Pass Exams

Twenty-nine members of the actuarial department of New York Life and 14 members of the group actuarial department passed one or more examinations held by Society of Actuaries this year. In the actuarial department, **Edward G. Wendt Jr.** became a fellow of the society, while **Joseph D. Austin**, **Miss Nora M. Beattie**, **Harvey Stabin**, **Edwin J. Steinberg** and **Phillip A. Turberg** became associates. In the group actuarial department, **Alden W. Broseau** and **William A. Dreher** became fellows, while **Theodore J. Kowalchuk** and **Barthus J. Prien** became associates.

Berkshire Life to Build Handsome \$2 Million Home Office



Berkshire Life will construct a new home office on a 20-acre tract on South street opposite the Country Club of Pittsfield, Mass.

The building will be constructed at an approximate cost of \$2 million, according to architects' preliminary estimates. It will have three levels containing a total of 80,000 square feet.

Central core construction will be used, placing elevators, rest rooms, utility ducts and other features common to all levels compactly near the center of the building. The use of movable partitions to separate offices and department areas will give maximum flexibility and efficiency, making it possible to adjust work areas overnight. The latest type of air-conditioning equipment will make working conditions comfortable throughout the year.

On the ground floor will be a cafeteria seating 180 persons and containing cooking and serving facilities for everything from a light snack to a full meal. A movable wall will separate the cafeteria from an adjoining lounge, providing a total seating capacity of 350 when the two rooms are made into one.

Executive offices and the board room will be on the first floor.

The building will be constructed of red brick, colonial style in the typical New England tradition. White marble will be used for the facade, and the entrance area will be illuminated at night. Fireproof materials will be used where possible throughout.

The structure, 268 feet long and 94 feet wide, will be situated 200 feet from the street and will be at least 300 feet from the nearest side property line. A 35-foot-wide road just north of the building will give access to a paved 150-car parking lot in the rear, providing ample space for employees' current needs and additional area for expansion. A safety island will be built near the driveway entrance to provide safe and expedient bus service for employees without interrupting the flow of traffic on South street.

Details of the plans and specifications, now in the final stage, are subject to approval by the board in the fall.

The present construction schedule calls for a ground-breaking ceremony in September, 1957; completion of the foundation and rough grading by December, 1957; beginning of steel work in the spring of 1958, and occupancy in April, 1959.

Growth of new life sales plus the recent addition of A&S and pension trust lines have brought the company to a point where expansion and modernization of physical equipment and facilities are necessary to meet current and expected future needs, according to President W. Rankin Furey and Chairman Harrison L. Amber.

"In our attempt to take fullest advantage of this change, we are making every effort to incorporate the most modern office facilities and equipment available into the new building so as to give our policyowners, field representatives and the community the best service possible," Mr. Furey and Mr. Amber said. The company is confident the over-all increase in efficiency due to modern facilities will be a cost-saving factor in the future. The building has been designed to provide the best possible working conditions for the home office staff and to save time in virtually all operations.

The plans were drawn up by Cram & Ferguson of Boston, which has done 18 other home offices in the last 10 years, among them John Hancock, Springfield F&M. and New Hampshire Fire. Landscaping will be done by Olmsted Brothers of Brookline, Mass., whose work includes the home office grounds of Massachusetts Mutual. Every tree of value on the tract will be preserved to make fullest use of the area's natural beauty. There will be a circular drive in front and a guest parking area screened by shrubbery.

Phoenix Mutual to Hold Agents' Meet Sept. 3-6

Phoenix Mutual will hold a 3-day anniversary conference built around the theme, "Ride that Tide," from Sept. 3 to 6 at the Greenbrier, White Sulphur Springs, W. Va. Attendance is based on meeting 12 and 17-month sales quotas.

Company paid business is up 34% in the first seven months, and insurance in force has gained 67% in the same period. Vice-president Herbert C. Skiff will be chairman of the meeting.

A highlight will be a series of eight room-hopping sessions, each moderated by three agents. They are Hermann Schaar, Dallas; Maurice E. Lescroart,

Hollis, Long Island; L. Edward F. Kelly, Philadelphia; Michael P. Coyle, New York City; H. Normal Fitter, Detroit; James P. Joyce, Springfield, Mass.; Iram H. Brewster, Pittsburgh.; Walter L. Schneck, New York City; B. Scott Blanton, Charlotte; R. Edwin Wood, San Francisco; J. Renwick Montgomery, Philadelphia; Lee G. Bodwell, Maine; Richard L. Emerson, Boston; Philip V. Birmingham, St. Paul; Lowell A. Weaver, Cleveland; W. T. Fleming, Philadelphia; D. Allen Fisher, Albany; Robert C. Van Vleck, Oklahoma City; Thomas Pritchard, Washington; Earl W. Fugate, Milwaukee; Arthur H. Dauman, New York City; Albert V. Bianco, Brooklyn; Ralph E. Whitmoyer, Detroit; and Ellison F. Beckwith, Boston.

FTC Orders Craftsman to Stop Using Ads It Already Quit Using

Craftsman has been ordered by Federal Trade Commission to stop using advertising, though it is no longer using this kind of copy. Examiner Laughlin said the order was necessary to prevent a possible decision to resume using the kind of advertising the FTC has objected to.

The FTC also denied a motion by Massachusetts Bonding to suspend charges of deceptive advertising. The company argued it had stopped using the advertising in question and has signed the FTC A&S code.

Western States Life of North Dakota has been licensed in Washington, Oregon, Idaho and Wyoming, which expands its field of operation to a total of eight states.

GLOBE LIFE INSURANCE COMPANY

Attractive Agency Contracts

COMPLETE LIFE INSURANCE

COVERAGES — Ages 0-60

ALSO ACCIDENT, HEALTH,

HOSPITALIZATION AND MEDICAL

For Particulars Write Home Office

159 North Dearborn St., Chicago 1, Illinois

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INDIANA & NEBRASKA

Haight, Davis & Haight, Inc.

Consulting Actuaries

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Indianapolis

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NEW YORK

Consulting Actuaries
Auditors and Accountants

Wolfe, Corcoran & Linder

116 John Street, New York, N. Y.

PENNSYLVANIA

FRANK M. SPEAKMAN

CONSULTING ACTUARY

ASSOCIATE

E. P. Higgins

THE BOURSE

PHILADELPHIA

Set Heavy Agenda for NALU Annual in D. C.

(CONTINUED FROM PAGE 1)

Presentation of awards for best magazine articles, Lewis W. S. Chapman, director of company relations, LIAMA

2:00 p.m. Agents Forum
William H. Pryor, chairman
Guest Speaker, Clarence J. Myers, president, New York Life. Forum on jumbo group insurance. Moderator, Eugene M. Thoré, general counsel, LIA. Panelists, David B. Fluegelman, Connecticut Mutual, New York City, and E. C. McDonald, vice-president, Metropolitan Life.

2:00 p.m. GAMC afternoon and business program
L. Mortimer Buckley, New England Life, Dallas, presiding
"Voluntary Insurance—Keystone of Security," Eugene M. Thore, General Counsel, LIA
Annual business meeting and election of officers Institute of Life Insurance presentation
"ILI Beginnings," Frazer B. Wilde, president, Connecticut Mutual
Panel presentation of ILI services. Moderator, Donald F. Barnes, director of promotion and advertising, ILI
Albert Hermlin, statistics
Dudley Martin, press relations
Harlan Miller, education
Robert Singer, advertising and promotion
"ILI Plans For the Future," E. M. McConney, president, Bankers Life of Iowa
Summary, Holgar Johnson, president, ILI
"My Formula for Successful Agency Management" Anthony J. Klug, general agent, John Hancock, Rochester, N.Y.

6:30 p.m. WQMDRT reception

7:00 p.m. WQMDRT dinner
Alberta M. Light, National Life of Vermont, Detroit, program chairman
"Gems from Sources Between Cartier's and Woolworth's," Anne S. Frimkess, Manhattan Life, Los Angeles
"Designing Women," Dallas N. Dyer, Tennessee Life, Houston
"Understanding Your Market," John Ruddock, senior vice-president, Pan-American Life

7:00 p.m. American College trustees dinner

8:00 p.m. GAMC evening program
Panel discussion on recruiting, by agency award winners. Moderator, Vincent B. Coffin, vice-president, Connecticut Mutual
"Recruiting the Easy Way" William T. Earls, general agent, Mutual Benefit, Cincinnati
"How Do You Select?" Frank R. Horner, general agent, Northwestern Mutual, Madison, Wis.
"Recruiting Young Men," Walter C. Leck, general agent, State Mutual, Chicago
(Title to be announced) Richard E. Stewart, manager, New York Life, Oakland, Cal.
"Which Will You Choose?" William J. Wernecke, manager, Metropolitan Life, Elmhurst, Ill.
"Presenting the Career," Robert L. Woods, general agent, Massachusetts Mutual, Los Angeles

9:00 p.m. NALU board of trustees

Wednesday, Sept. 26

7:00 a.m. American Society, CLU coffee corral
7:45 a.m. American Society, CLU breakfast and meeting
9:00 a.m. General convention session
President Stanley C. Collins, Metropolitan Life, Buffalo, presiding

Music

The national anthem
Invocation and welcomes to be announced.

The Canadian national anthem
Response—Charles Dunn, president, Life Underwriters Association of Canada

In Memoriam, Lester O. Schriver, managing director of NALU, Taps
President's message—Stanley C. Collins

Guest speaker "This is How I Think and What I Do," Rudolf Leitman, New York Life, Detroit
American College hour guest speaker, Ray D. Murphy, chairman, Equitable Society

12:30 p.m. Luncheon sponsored by Committee of Women Life Underwriters

Thelma R. Davenport, Northwestern Mutual, Washington, presiding
Introduction of guests

Guest speaker—Mrs. Norman Vincent Peale, "Foundation for a Better Tomorrow"

"The Eternal Engraving" winner

of voice of democracy contest (tentative)

2:00 p.m. Association workshop
2:00 p.m. Washington tours
7:00 p.m. CLU dinner and conference exercise

Thursday, Sept. 27

7:45 a.m. Graduate Society of the Institutes of Insurance and Marketing breakfast

7:45 a.m. "Texas trained seal" breakfast

9:00 a.m. General convention session
A. Jack Nussbaum, Massachusetts Mutual, Milwaukee, NALU vice-president, presiding

Music

Invocation

Speaker to be announced

John Newton Russell award
MDRT hour

Arthur F. Friebe, Penn Mutual, Rockford, Ill., chairman

"New Problems in Business Insurance" James B. Irvine Jr., National Life of Vermont, Chattanooga

"Basic Selling Techniques: My Work Procedures" Richard Jay Wilcox, New England Life, New York, N.Y.

12:15 p.m. NALUTC luncheon

Frank B. Maher, vice-president, John Hancock, presiding

Introduction of guests, Response by Stanley C. Collins

Presentation of senior instructor awards

Introduction of speaker Herbert A. Hill, Richmond, Va., Life of Virginia

Guest speaker—Sen. Harry I. Byrd of Virginia

2:00 p.m. National Council meeting and convention business session

6:00 p.m. Company dinners and receptions

9:00 p.m. President's ball

Friday, Sept. 28

9:30 a.m. New building ceremony

12:15 p.m. Fellowship luncheon (tentative)

3:00 p.m. NALU board of trustees

9:00 a.m. NALU board of trustees

Life of Missouri Home Office Wins Architectural Award

Life of Missouri's home office building at St. Louis tied for first place as "the most significant office building in the past 100 years of architecture in America," according to *Architectural Record*, a national architectural publication. The Life of Missouri home office, formerly the Wainwright building, was built in 1891 as the first tall steel frame structure to be erected in St. Louis and was the forerunner of all skyscrapers. The Carson Pirie Scott & Co. store in Chicago was the other first place winner. Life of Missouri recently purchased property at the southwest corner of Lindell boulevard and Spring avenue at St. Louis as the site for a new home office.

WANT ADS

Rates—\$20 per inch per insertion—1 inch minimum—sold in units of half-inches. Limit—40 words per inch. Deadline 5 P. M. Friday in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

THE NATIONAL UNDERWRITER—LIFE EDITION

WE'RE GOING "GREAT GUNS" SO WE NEED AN ASSISTANT MANAGER POLICY BENEFITS DEPARTMENT

Here's an opportunity to be on the team of the fastest growing insurance company in the southwest. Wonderful living conditions, beautiful new home office building, conveniently located, sound and progressive management.

We need an assistant manager for the policy benefits department who has had at least three years home office experience in A & H and/or group claims. Prefer college graduate to age 35. Particularly fine opportunity for younger man who wants to grow with a company that's really going places. All replies held confidential.

Write Box P-14

THE NATIONAL UNDERWRITER CO.
175 W. Jackson Blvd., Chicago 4, Illinois

ASSISTANT ACTUARY

Dallas, Texas life company has a position open for assistant actuary to work with present actuary who will retire in the near future. Seeking a Fellow or Associate in Society of Actuaries. Unlimited opportunity for right man. Company in business over 28 years with more than 150 million in force; operate in six states on debit system, have complete line of Industrial, Ordinary and A-H contracts.

Send full information and salary requirement to Box P-4, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois. All replies handled confidentially.

ACTUARIAL STUDENTS LOOKING FOR A FUTURE!

Rapidly growing Colorado company has opening for Life Assistant Actuary. Work will include responsibilities in Electronic Data Processing area. Write us if you are interested in working in a wonderful climate for a progressive company. Our staff knows of this advertisement. Address Box N-96, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

REGIONAL DIRECTORS WANTED

For following territories:
Georgia and Florida
Louisiana and Texas
Write Box P-4, The National Underwriter Company, 175 W. Jackson Blvd., Chicago 4, Ill., stating qualifications and experience.

ACTUARIAL STUDENT

Rapidly growing firm of Midwest consulting actuaries located in Chicago needs young man who has passed three to five exams. No previous consulting field experience necessary. Excellent opportunity. Address Box P-5, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Illinois.

WANTED

Home Office Manager for fast growing Life, Accident and Health Company. Must be experienced in underwriting and office management. For further details write Box P-3, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Illinois.

GROUP MANAGER

Would like to make change wherever there is opportunity. However, familiar with and prefers west coast. Five years experience, mostly with eastern major company. Excellent production record. Write Box P-15, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Illinois.

WANTED

A & H MANAGER FOR LARGE FLORIDA GENERAL AGENCY

Individual must have executive ability and be capable of training, supervising, and procuring A & H agents for large general agency located on the Suncoast of Florida, plus initiative and willingness to work. Salary plus commissions with an annual bonus based on production. Write Box P-10, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Illinois, stating age, experience, marital and military status, and enclose recent snapshot if available.

CREDIT INSURANCE OPPORTUNITY

Credit Life & A & H Department of well-established mid-western company expanding. Statewide territories on attractive basis. Available to right men. Tremendous opportunity in growing field. Write in confidence to Box P-8, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

Agents or brokers to write military aviation policy that has no war clause or aviation restrictions for world wide coverage. 70% commission. For further details write Box 4324, Shreveport, Louisiana.

HOME OFFICE AGENCY DEPARTMENT ASSISTANT FOR N. Y. METROPOLITAN AREA

Age 28-35. College graduate. Must have at least 2 years Ordinary Life Sales Experience. Good salary. Excellent future opportunities. Write for appointment and enclose resume of experience. Replies confidential. Box NY-55, The National Underwriter Co., Advertising Dept., 99 John Street, New York 38, N. Y.

It Costs Too Much To Quit

By far the most important source of waste in advertising is quitting. This can be charged against no one but the man or company that pays the bill.

No company should start advertising unless its controlling executives realize that advertising is the one race that has no finish line.

Even a poorly worded and arranged advertisement will come to mean something and be productive to a degree at least if it is run long enough and often enough.

The old-fashioned "card" that modern advertising men are inclined to ridicule, is surely better than no advertisement of any kind. It is the difference between being on the map or in obscurity.

On the other hand, the good advertiser who uses attractive and thoughtfully prepared copy but who quits, loses in time probably all that has been put into the campaign.

Agents don't read a few advertisements and then form an opinion of a company. Instead, their opinions are formed slowly, almost imperceptibly. They are influenced not by what they *used* to read, but by what is before them today, next week, next month. What your advertising is going to accomplish for you is in the future, not the past.

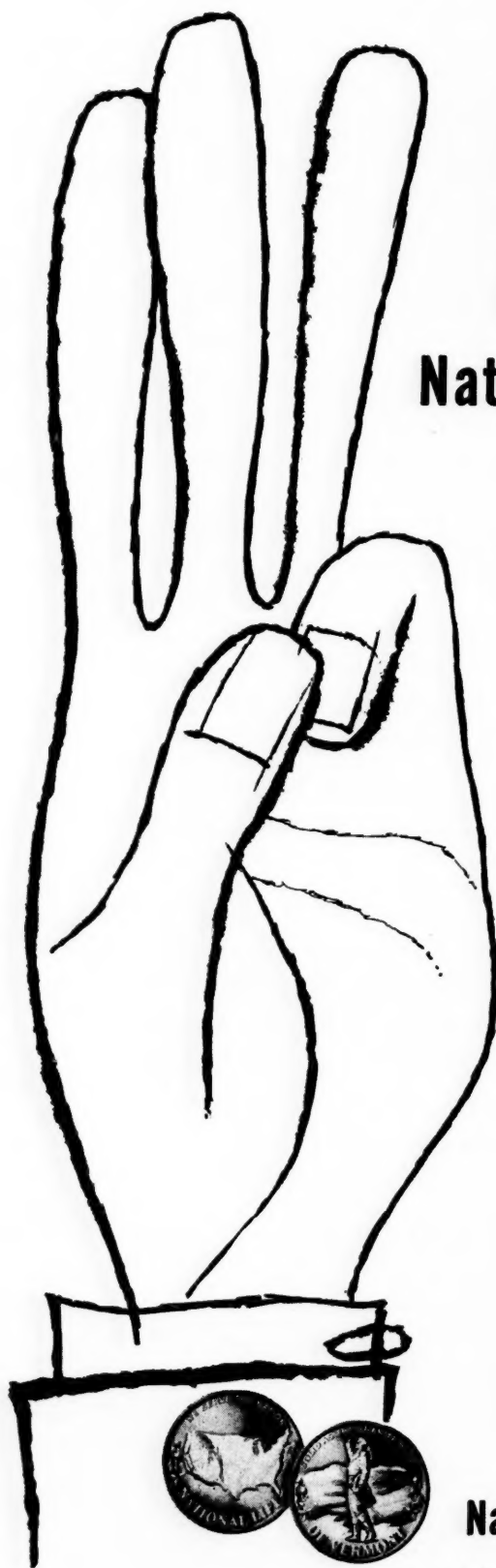
The past is gone. The future is before you. Don't quit.

The **NATIONAL
UNDERWRITER**

Largest Circulation of Any Weekly Insurance Newspaper



Number 41 of a series.



3 important announcements from National Life of Vermont

1. Across the board reductions in Ordinary and G.P.L. premiums.
2. Minimum issue limit of \$2000 on most plans.
3. New \$15,000 minimum issue policy for business and professional situations.*

National Life's new Ordinary Life rates, and Graded Premium Life rates after the fifth year, are about 9% lower.

National Life's new \$15,000 minimum issue policy is especially designed for business and professional markets.

Premiums for this new policy are identical with Ordinary Life rates. Special features of the new plan — a life paid up at 95 male contract (98 for females) — include high early cash values, female rates† three years below male rates, and a change of plan clause permitting changes at any time to a higher premium plan with premiums payable for at least five more years after the exchange date and stipulating the basis of such change. The policy also guarantees use of settlement options for the benefit of corporations, key men and their beneficiaries.

The low premium rates, high early cash values and attractive dividend scale make the contract especially well adapted to business and professional needs, and ideally suited for key man, partnership and split-dollar proposals.

*As of September 1, 1956 this new plan has been approved by 46 states and the District of Columbia and is currently being reviewed by Massachusetts and Kansas.

†Not available for women in Texas, Maryland and New Jersey.

National Life Insurance Company

MONTPELIER • VERMONT

FOUNDED 1850 — SOLID AS THE GRANITE HILLS OF VERMONT